







**REPORT**  
**ON**  
**SURVEY OF LABOUR CONDITIONS**  
**IN**  
**CEMENT FACTORIES IN INDIA**



**LABOUR BUREAU**  
**MINISTRY OF LABOUR AND EMPLOYMENT**  
**GOVERNMENT OF INDIA**



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## PREFACE

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever since India entered the Industrial field over a century ago. Today this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 45 industries. This report presents data regarding cement factories covered under the scheme during 1961-62.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first-hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data the effort has been to reduce the information into quantitative terms so as to serve as a bench-marke for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation



and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of the State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey the requisite technical advice was provided by other officers at Headquarters. The present report was drafted by Dr. J. N. Mongia, who was assisted by Shri P. D. Gupta, Investigator Grade I and Sarvashri Dila Ram, R. C. Madan, P. S. Chauhan and B. P. Singla, Computers. The field investigations were carried out by Sarvashri V. S. Rao, A. K. Mitra, S. K. Rao, P. Venkataraman, A. S. Parmar, S. M. Shinh, B. Raghvan and S. N. P. Yadav, under the supervision of Sarvashri H. G. Gupta, K. Lakshminarayanan, Harbans Singh and Kirpal Singh. To these all my thank are due

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

LABOUR BUREAU, SIMLA

*Dated the 15th December, 1964*

K. C. SEAL

*Director*

## CHAPTER I

### INTRODUCTION

The world cement industry has made rapid strides during the post-war period, reflecting mainly the steady increase in construction activities in both the developed and developing countries. It has been estimated that the actual world production of cement has gone up from only 190 million tons in 1954 to about 334 million tons in 1961, that is, by 75 per cent. over a period of about seven years. The largest cement producing countries are the U.S.A., U.S.S.R., West Germany, Japan, Italy, France and the U.K. These countries together account for about two-thirds of the total world output, the remainder being provided by about 80 countries.

#### *1.1. Location and Growth of the Industry in India—*

The Indian Cement Industry is of comparatively recent origin inasmuch as the manufacture of Portland Cement began only in 1904 with the establishment of a small factory in Madras State. The venture was not successful and no real progress could be made by the Industry until the outbreak of the First World War in 1914. The impetus provided by war conditions enabled many new factories to come into existence. The industry, thus, made very rapid progress during the post-war boom and by 1924, the production of cement in India had increased to about 2.5 lakh tons a year. In the process, however, the Industry got engulfed, in a crisis owing to fierce internal and external competition and, in 1925, the Government of India had to ask the Tariff Board to enquire into the difficulties of the Industry. The Board emphasized, among other things, the necessity for co-operation among the manufacturing units. In view of this recommendation, some cement companies came into existence with the object of achieving unity. The subsequent years witnessed further amalgamation of the manufacturing units and, ever since, the tempo of progress has continued. It was even accelerated by the outbreak of hostilities in 1939 and in 1940-41, the production having been in excess of the home demand, an export trade was started in this commodity.

With the usherance of the era of Independence and embarking upon a phased and continuous programme of economic development in the country, Cement Industry has become one of the key industries in the country and is expected to play a useful role in the country's economy. As would be seen from Statement 1.1, during the first two Plan periods, the number of cement factories increased from 19 to 38 and production, too, has increased manifold but, curiously enough, the number of persons to whom it provided employment, has remained almost constant at about 25,000. This could be on account of the fact that the Indian Cement Industry is a capital-intensive Industry.

Figures given in the Statement (1.1) would show that the Industry is somewhat scattered in location and is mainly concentrated in Bihar, Rajasthan, Madras, Andhra, Madhya Pradesh and Bombay. The wide dispersal of the Industry is due to the fact that in developing it, care has been taken to distribute the manufacturing facilities, as far as possible, over a wide area in view of the transport costs which constitute an important element of selling prices\*. Apart from this, the location of factories has also

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\* Investors' Encyclopaedia, 1960.

STATEMENT I.I.  
State-wise Distribution of Cement Factories in India and Average Daily Employment Therein

Year	Andhra	Assam	Bihar	Bombay	Kerala	M.P.	Madras	Orissa	Punjab	Rajasthan	Uttar Pradesh	Others	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1950	1 (2,524)	—	5 (3,769)	4 (2,653)	—	3 (3,605)	5 (3,706)	—	2 (2,800)	1 (3,724)	—	1 (352)	22 (23,133)
1951	1 (2,445)	1 (37)	5 (4,125)	2 (2,196)	—	2 (7,600)	5 (4,085)	—	2 (2,800)	1 (2,441)	—	—	19 (25,729)
1952	1 (2,434)	1 (36)	5 (3,791)	4 (3,334)	—	6 (3,284)	5 (4,100)	1 (380)	2 (2,650)	1 (2,441)	—	1 (347)	27 (22,790)
1953	3 (4,195)	1 (38)	5 (3,931)	4 (2,831)	—	2 (3,178)	3 (2,358)	1 (542)	2 (2,148)	2 (2,768)	—	—	23 (22,039)
1954	3 (3,524)	1 (32)	6 (3,834)	2 (1,867)	—	2 (2,848)	3 (2,493)	1 (800)	2 (1,653)	2 (3,222)	—	2* (344)	24 (20,607)
1955	3 (3,578)	—	7 (3,940)	5 (3,747)	—	2 (2,766)	3 (2,485)	1 (994)	2 (2,215)	2 (2,748)	1 (675)	1 (344)	27 (23,532)
1956	2 (1,681)	—	7 (4,849)	6 (3,283)	2 (346)	2 (2,661)	3 (2,384)	1 (1,641)	2 (1,696)	2 (3,222)	1 (564)	—	29 (22,345)
1957	2 (1,704)	—	7 (4,614)	6 (3,507)	2 (384)	2 (2,641)	3 (2,548)	1 (1,889)	2 (1,552)	2 (4,819)	1 (777)	2 (512)	30 (24,952)
1958	5 (2,825)	—	7 (4,767)	7 (3,037)	1 (384)	3 (3,207)	3 (2,637)	1 (2,645)	2 (1,094)	2 (5,170)	1 (718)	—	32 (27,084)
1959	7 (2,769)	—	7 (4,528)	7 (2,658)	1 (401)	3 (3,411)	3 (2,770)	1 (993)	2 (1,583)	2 (3,982)	1 (636)	4 (2,704)	38 (26,437)
1960	7 (2,357)	—	7 (4,509)	6 (2,328)	1 (380)	2 (3,009)	3 (3,144)	1 (934)	2 (1,604)	2 (3,839)	1 (1,127)	3 (2,319)	34 (25,550)
1961	7 (2,435)	—	7 (4,634)	6 (2,225)	1 (387)	4 (2,340)	4 (3,496)	1 (880)	2 (1,714)	2 (3,716)	1 (1,315)	3 (2,253)	38 (25,395)

\* For one unit in Mysore Stat., employment is not available.

NOTE—1. Figures within brackets indicate average daily employment in cement factories.

2. Up to 1955 the information relates only to factories 'covered' under the Factories Act and submitting returns and from 1956 onwards it relates to all working factories covered under the Factories Act.

Source—Indian Labour Year Books.

to be determined by the availability of the necessary quantities of limestone from nearby quarries. Even though the deposits of such limestone as are suitable for the manufacture of cement are unevenly distributed in India and are concentrated mostly in three regions\*, other factors such as the economies in working, nearness to consuming centres and also the utilisation of slightly inferior grades of the raw material have gone a long way in the setting up of cement factories in other areas.

### 1.2. *Genesis of the Survey—*

The first comprehensive survey of conditions of labour in various industries in India on a countrywide basis was conducted by the Royal Commission on Labour during 1929—31. Its report and findings formed the basis of various ameliorative measures. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another Committee, viz., the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries including the Cement Industry during 1944-45 and, besides a main report on labour conditions in general, published individual reports in respect of various industries. These reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Ministry of Labour, Government of India as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of the various measures adopted in the past and obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan, and the Labour Bureau was entrusted with the execution of the Scheme.

### 1.3. *Scope and Design—*

A note attached to the Report (Appendix) gives details relating to the sample design and method of estimation adopted. The Survey was confined to cement factories registered under the Factories Act, 1918. Since cement factories were found to be scattered throughout the country, and there were no specific pockets of concentration, it was considered desirable to have only one stratum viz., All-India.

Earlier investigations had indicated the existence of wide variations in conditions of work and standard of welfare and amenities, etc. in the establishments of different size groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of the resources available, and from the point of view of practicability, it was decided that for the purposes of the Survey, cement factories may be divided into two size groups—large and small. For

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\* Saurashtra, Madhya Pradesh, and the Coastal regions of South India.

this purpose, the stratification point used for the Wage Census conducted by the Labour Bureau in 1958-59, was utilised. The point used for the Wage Census was arrived at on the basis of a study of optimum allocation and was very near the average employment size of establishments. This point was 667 for the Cement Industry. The sampling fraction ultimately adopted was 33.3 per cent. for all large-size factories and 16.7 per cent. for small-size factories in the Cement Industry. Further details relating to sample design and method of estimation appear in the Appendix.

The following Statement shows the number of cement factories together with the number of workers employed (a) in the frame, (b) in the sample, and (c) in the sample actually covered.

#### STATEMENT 1.2

*Number of Cement Factories and Workers employed therein in the Frame, Sample, etc.*

Size Group	In the Frame (1959)		In the Sample Selected		In the Sample Actually Covered	
	Number of Factories	Number of Workers employed	Number of Factories	Number of Workers employed	Number of Factories	Number of Workers employed
1	2	3	4	5	6	7
1. Large Factories . . .	14	17,089	5	7,229	5 (35.71)	7,229 (42.30)
2. Small Factories . . .	22	6,935	4	664	4 (18.18)	664 (9.57)
3. All Factories . . .	36	24,024	9	7,893	9 (25.00)	7,893 (32.85)

NOTE.—Figures within brackets in columns 6 and 7 are percentages to total number of factories and workers as given in columns 2 and 3 respectively.

From the figures given in Statement (1.2.), it would be seen that the Survey ultimately covered 25 per cent. of cement factories and nearly 33 per cent. of the workers employed therein. Since only those factories which featured in the frame were included in the sample and it was not possible to take account of new factories which came into being during the period of the Survey, the information given in this Report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates and which continued to exist till the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule\* and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of the experience of the enquiry, the schedule and instructions were suitably revised. The main field enquiry was launched in July, 1961 and it was completed in August, 1962. Since the enquiry in essence was during 1961 and 1962, the data except where specifically mentioned, should be treated to relate to this period.

\* The Schedule used for the survey has been published in the reports relating to Silk and Jute Industries.

## CHAPTER II

### EMPLOYMENT

According to the Labour Investigation Committee, there were 57\* cement factories in the country in 1943, employing about 25,000 persons. As against this, in 1961, 38 factories were engaged in the manufacture of cement with about 25,395 persons on their rolls. In fact, it is only since 1950 that statistics for cement factories alone, as separated from lime and pottery manufacturing units, have become available. Available information shows that, in 1950, there were 22 cement factories in the country employing 23,133 workers. It would thus be seen, that during the eleven years between 1950 and 1961, the number of cement factories in the country had gone up by nearly 73 per cent., the corresponding rise in employment being about 10 per cent.

During the course of the present Survey, in order to ensure comparability, the data in respect of employment were collected from different sampled establishments with reference to a particular date i.e., 30th June, 1961. On the basis of these data, it is estimated that the total employment strength of the cement factories registered under the Factories Act, was about 29,700\*\* on the above date. This estimate, however, differs from the statistics furnished under the Factories Act, (i.e. 25,550) for the year 1960. The main reason for the difference between the two figures is that whereas the former represents the estimate based on the actual number of persons on roll on a particular date, the latter shows the average daily employment for the whole year. Besides, while the former includes even those employees who, though employed in registered factories, were deemed to be 'not covered' under the Factories Act, the latter figure does not take such employees into account.

#### 2.1. *Composition of the Working Force*—

2.1.1 *Distribution by Broad Occupational Groups*—For the purposes of the present Survey, the internationally accepted classification of employees† was followed, and accordingly they were classified into the following categories :

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including supervisory).
- (d) Production and Related Workers (including supervisory).
- (e) Watch and Ward and Other Services.

Based on the above classification, the number of workers in different occupational groups is given in Statement 2.1.

The Statement (2.1) shows that an overwhelming majority of the working force (about 81 per cent. of the total) belonged to the group 'Production

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\* The Committee had expressed their dissatisfaction with the available statistics since the published statistics of factories did not relate to cement factories alone but included lime and potteries as well.

\*\* This figure relates only to workers employed in cement factories and does not include those employed in quarries attached to cement factories as they are covered under the Mines Act.

† International Standard Classification of Occupations.

and Related Workers (including Supervisory)'. The proportion of workers belonging to this group was nearly the same in both the large and small factories. Another fact worthy of note is that the percentage of 'Professional, Technical and Related Personnel' was almost double in the small factories as compared to that in the large ones.

#### STATEMENT 2.1\*

#### *Estimated Percentage Distribution of Workers by Broad Occupational Groups* (June, 1961)

Size Group	Total Number of Workers	Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Large Factories . .	19,422	3.7	0.4	6.0	81.4	8.5
2. Small Factories . .	10,319	7.2	0.4	5.1	80.9	6.4
3. All Factories . .	29,741	4.9	0.4	5.7	81.2	7.8

\* Data relate to workers 'Covered' as well as 'Not covered' under the Factories Act, 1948.

2.1.2. *Distribution of Workers into 'Covered' and 'Not Covered' under the Factories Act*—According to the Factories Act, 1948, a worker has been defined as 'a person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machine or premises used for a manufacturing process, or in any other kind of work incidental to, or connected with, the manufacturing process or the subject of manufacturing process.' It was, however, observed during the Survey, that there was no uniformity with regard to the above definition and, consequently, while some units had included certain categories of employees (particularly Watch and Ward and Other Services) among those covered under the Factories Act, others tended to exclude them. Such workers as were not covered under the Factories Act, formed about 2.9 per cent. of the total. Details of workers 'covered' and 'not covered' in different occupational groups are given in Statement 2.2.

The Statement shows, significantly enough, that the percentage of workers not covered under the Factories Act was far higher (4.3%) in large factories as compared to that in small ones (0.3%). The balance seems to have been tilted in favour of the small factories by the groups 'Watch and Ward and Other Services' and 'Professional, Technical and Related Personnel' as all persons in these groups were found to be covered under the Act in the small factories.

A further examination would show that of the total number of workers covered under the Act (i.e. 28,883), 4.7 per cent. belonged to the group 'Professional, Technical and Related Personnel', 0.3 per cent. to 'Administrative, Executive and Managerial Personnel', 5.6 per cent. to 'Clerical and Related Workers', 83.6 to 'Production and Related Workers' and 5.8 per cent. to 'Watch and Ward and Other Services'. Similarly, the break-up of the total number of workers 'not covered' under the Act (i.e. 858) is 12.9, 2.7, 8.9, nil and 75.5 per cent. for the above-mentioned groups respectively.

# STATEMENT 2.2

## Estimated Percentage Distribution of Workers into 'Covered' and 'Not Covered' under the Factories Act, 1948

(June, 1961)

Size Group	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)		Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Large Factories	84.5	15.5	97.3	2.7	94.4	5.6	100.0	—	60.8	39.2	95.7	4.3
2. Small Factories	100.0	—	50.0	50.0	98.1	1.9	100.0	—	100.0	—	99.7	0.3
3. All Factories	92.4	7.6	80.3	19.7	95.5	4.5	100.0	—	72.0	28.0	97.1	2.9



## 2.2. *Employment of Women—*

Employment of women, though not uncommon in the Cement Industry, is almost insignificant. In spite of the fact that, as the Survey results show, about 39 per cent. of the cement factories employed an estimated number of 544 women, they constituted nearly 2 per cent. of the total workers employed. These figures, however, compare favourably with the findings of the Labour Investigation Committee which had also observed that, as a whole, there was little employment of women in the Industry. The statistics regarding the employment strength of women and the factories employing them are presented in the following Statement. It will be seen that almost all women workers were employed in large factories only.

### STATEMENT 2.3

*Estimated Proportion of Women Workers\* to the total Working Force in the Cement Industry.*

(June, 1961)

Size Group	Total number of Factories**	Percentage of Factories employing Women	Total Number of Workers	Percentage of Women Workers to the total number of Workers employed	Percentage of Women Workers to the total number of Workers in the Industry
1	2	3	4	5	6
1. Large Factories . . .	14	60.0	19,422	2.7	96.1
2. Small Factories . . .	20	25.0	10,319	0.2	3.9
3. All Factories . . .	34	39.4	29,741	1.8	100.0

\* Data relate to both 'Covered' and 'Not Covered' under the **Factories Act, 1948.**

\*\* This number does not tally with the number of factories in Statement 1.2. The difference is due to the fact that only those factories which continued to exist till the time of Survey were covered.

Data collected during the course of the Survey in respect of the distribution of women workers into various occupational groups show that as many as 69 per cent. of them were engaged in production and related processes. Women engaged for 'Watch and Ward and Other Services' formed about 27 per cent. of the total and the rest (i.e. about 4 per cent.) were employed as 'Professional, Technical and Related Personnel'. None of them were found employed on administrative, executive and managerial or clerical and related jobs.

Women employed on production processes were usually engaged on such jobs as loading and unloading, carrying coal and dust, bag stitching, etc. Those belonging to the group 'Professional, Technical and Related Personnel' were usually employed as midwives or nurses whereas those coming in the group 'Watch and Ward and Other Services' were employed as sweepers and creche attendants. All women employed in small factories, insignificant though their number was, were working only as sweepers.

Except for a few units, where it was reported that women were employed because of their suitability for some specific jobs like those of midwife or nurse or because they stuck to their jobs, no special reasons were reported for the employment of women in the Industry.

### 2.3. Child Labour—

During the course of the Survey, none of the sampled units were found to be employing child labour. This is significant particularly in view of the fact that the Labour Investigation Committee, at the time of their enquiry, had found no fewer than 450 children of tender age employed in the Industry.

### 2.4. Time and Piece-rated Workers—

Though both the systems of payment, i.e. time and piece-rates, were prevalent in the Industry, the following statement, based on the results of the Survey, would indicate that payment by time predominated inasmuch as the proportion of time-rated production workers was as high as about 91 per cent.

#### STATEMENT 2.4

*Estimated Percentage Distribution of 'Production Workers' by Methods of Payment*  
(June, 1961)

Size Group	Total Number of Production Workers	Percentage Distribution of Workers employed		Percentage Distribution of workers by Sex and Method of Payment			
		Time-rated	Piece-rated	Men		Women	
				Time-rated	Piece-rated	Time-rated	Piece-rated
1	2	3	4	5	6	7	8
1. Large Factories . . .	15,796	88.8	11.2	88.5	11.5	100.0	—
2. Small Factories . . .	8,344	96.3	3.7	96.3	3.7	—	—
3. All Factories . . .	24,140	91.4	8.6	91.2	8.8	100.0	—

Information given in the above Statement relates to both categories of employees, that is those employed directly and through contractors, who were covered under the Factories Act. Further, two facts stand out significantly— that there was a higher proportion of time rated 'Production Workers' in the small factories than that in the large ones and that women production workers, all of whom were employed in large factories alone, were time-rated.

### 2.5. Contract Labour—

According to the Labour Investigation Committee, a characteristic feature of the employment of labour in the Cement Industry was that, speaking generally, the labour required in the quarries and in the packing department was recruited through contractors. The Committee observed that it was an exception rather than the rule for factory managements to exercise any real control over the work and wages of the contract labour. Later on, the issue of contract labour in the Cement Industry was dealt with by the Industrial Committee on Cement at its second session held at Hyderabad in 1954. The Tripartite Committee took the far-reaching decision to abolish contract labour in all occupations connected with the manufacturing process, including quarrying operations, by June, 1956. However, in the case of contract labour employed in loading and unloading

operations, the Committee appointed a Sub-Committee to examine, *inter alia*, the feasibility of abolishing such contract labour. The Sub-Committee came to the conclusion, *inter alia*, that wherever contract labour was employed in operations which did not depend on outside agency such as railways, it should be abolished\*. The Central Wage Board for the Cement Industry, 1959, which also considered this issue came to the conclusion that the contract labour in all operations connected with the manufacturing process (including quarrying operations), except loading and unloading operations, should be abolished within six months of the publication of their Report.\*\*

The present Survey has revealed that about 80 per cent. of the large cement factories surveyed were employing contract labour. The system was found to be in vogue in large factories only where about 19 per cent. of the total number of 'Production Workers' employed were contract labour. Further details about such labour appear in the following Statement.

#### STATEMENT 2.5

##### *Estimated Percentage of Factories Employing Contract Labour (June, 1961)*

Size Group			Number of Factories	Percentage of Factories employing contract Labour	Total number of Production Workers in the Industry	Number of Production Workers employed through Contractors
1. Large Factories	.	.	14	80.0	15,801	2,993 (18.9)
2. Small Factories	.	.	20	—	8,344	—
3. All Factories	.	.	34	32.9	24,145	2,993 (12.4)

NOTE—Figures within brackets in column 5 are percentages to column 4.

Contract labour, wherever employed, was usually engaged on jobs like loading and unloading of cement and raw materials, etc., affixing stamps on cement bags and preparation of wire ties for the bags. The employers contended that it was economical for them to employ contract labour for these jobs and that this fact had been recognised by the Central Wage Board also.

#### 2.6. System of Recruitment—

In most of the cement factories, according to the Labour Investigation Committee, although it was reported that labour was recruited direct by the management, actually the workers were engaged by lower subordinate officials. However, they had come across certain exceptions also where recruitment was made through a Recruitment Board or through a Tribunal. The Committee had commended the latter system. According to the present

\* Report of the Central Wage Board for the Cement Industry, 1959.

\*\* *Ibid*, p. 81.

Survey, most of the workers (about 88%) in the Industry were found to have been recruited directly—recruitment at the factory gate itself accounted for about 58 per cent., those recruited through departmental heads accounted for nearly 18 per cent., while the rest (about 12%) were recruited through labour offices.

For the recruitment of the rest of the workers i.e., about 12 per cent., some other methods had been employed. For instance, about 8 per cent. of such workers had been recruited through the 'Workers Recruitment Committees' and about 4 per cent. through advertisement.

### 2.7. *Employment Status—*

Information pertaining to the classification of 'Production Workers' into different categories according to employment status, was collected during the course of the Survey. It may be pointed out that, under the Industrial Employment (Standing Orders) Act, 1946, it is obligatory for all establishments employing 100 or more workers to classify them into various categories. However, in the case of those units where framing of such Orders was not obligatory, or the same had not been otherwise framed, reliance had to be placed on the managements' versions regarding the employment status of their workers.

### STATEMENT 2.6

#### *Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status*

(June, 1961)

Size Group	Total Number of Production Workers (employed directly)	Percentage Distribution of Workers					
		Permanent workers	Probationers	Temporary workers	Badlis	Casual workers	Apprentices
		3	4				
1. Large Factories .	12,808	83.4	0.1	9.5	—	6.9	0.1
2. Small Factories .	8,344	82.7	0.6	6.5	—	9.7	0.5
3. All Factories .	21,152	83.1	0.3	8.3	—	8.0	0.3

It will be seen from the Statement (2.6) that, in the Industry as a whole, about 83 per cent. of the 'Production Workers' (employed directly) were permanent and nearly 8 per cent. each were temporary and casual workers. Probationers and apprentices accounted for the rest. *Badlis* were not found employed in any of the units surveyed. There was no significant difference between large and small factories in the matter of the proportion of various categories of 'Production Workers'.

### 2.8. *Length of Service—*

During the present Survey a study of the distribution of workers according to their length of service was made in respect of 'Production Workers' covered under the Factories Act and employed directly by the managements. The data are presented in Statement 2.7.

## STATEMENT 2.7

*Estimated Percentage Distribution of 'Production Workers' Employed Directly according to Length of Service*

(June, 1961)

Size Group	Total Number of Production Workers (Permanent and non-permanent)	Percentage Distribution of Workers				
		Under 1 year	1 year but under 5 years	5 years but under 10 years	10 years but under 15 years	15 years and above
1	2	3	4	5	6	7
1. Large Factories .	12,808	7.3	32.2	33.7	14.0	12.8
2. Small Factories .	8,344	19.4	9.1	36.2	32.8	2.5
3. All Factories .	21,152	12.1	23.0	34.7	21.4	8.8

It is noteworthy that, in the Industry as a whole, as many as about 65 per cent. of the workers had more than 5 years' service to their credit as on June 30, 1961, a good number having put in more than 15 years' service. In this respect there were some significant differences between the large and small factories. The former had more workers with longer periods of service whereas in the latter, about one-fifth of workers had less than 1 year's service to their credit.

2.9. *Absenteeism*—

Data pertaining to absenteeism were collected only in respect of 'Production Workers' employed directly, excluding casual, *badli* and unpaid workers. The information collected for 12 months, from July, 1960 to June, 1961, appears in the following Statement:

## STATEMENT 2.8

*Estimated Absenteeism Rate\* in the Cement Industry*

(During July, 1960 to June, 1961)

Month	Size Group		
	Large Factories	Small Factories	All Factories
1	2	3	4
July, 1960 .	10.5	9.2	10.0
August, 1960 .	12.5	9.3	11.3
September, 1960 .	11.7	13.5	12.4
October, 1960 .	11.6	10.1	11.0
November, 1960 .	11.7	11.1	11.5
December, 1960 .	12.1	11.5	11.9
January, 1961 .	12.0	11.5	11.8
February, 1961 .	18.6	10.9	14.9
March, 1961 .	15.0	12.2	13.9
April, 1961 .	16.1	16.4	16.2
May, 1961 .	16.7	15.3	16.2
June, 1961 .	13.9	12.1	13.2
Overall .	13.4	11.9	12.8

\* Percentage of man-days lost to the man-days scheduled to work.

It will be noticed that the absenteeism rate in the Industry was significant. It could be attributed to the fact that sometimes, it was not possible to separate lay-off from absenteeism, in the true sense. And, since the data were collected for a period of the preceding 12 months, it was not possible to find out all cases of quits†, lay-offs and genuine absences.

As Statement (2.8) shows, the absenteeism rate, for the Industry as a whole, was the highest in the month of April (16.2) and lowest in July (10.0). As between the two size-groups of factories, large factories recorded a higher rate of absenteeism. Since the record of absences by causes was usually not kept by the managements, it was not possible to collect statistics of absences by causes. However, the general information which could be gathered from various sources indicates that the high rate of absenteeism between February and May could be due to the harvesting season when workers went to their villages. Higher absences during other months could be attributed to religious and social functions, etc. Except for two large establishments, no other unit surveyed had adopted any special measure for reducing absenteeism. In one of these units, cash prizes ranging from Rs. 10 to Rs. 25 were awarded to the workers for showing good attendance which was also given due weightage at the time of granting promotions. In the other unit, an allowance of Rs. 3 p.m. was being paid to the continuous-shift workers who worked on all the working days of the month. The managements pointed out that such measures had salutary effect on the absenteeism rate.

#### 2.10. Labour Turnover—

Data in respect of labour turnover also were collected\* for the same categories of workers as in the case of absenteeism. Based upon the results of the Survey, the following Statement gives the rates of accession and separation for a period of 12 months, i.e. from July, 1960 to June, 1961.

#### STATEMENT 2.9

*Estimated Rates of Accession and Separation (In percentages)*  
(During July, 1960 to June, 1961)

Month	Rate of Accession			Rate of Separation		
	Large Factories	Small Factories	All Factories	Large Facto- ries	Small Factories	All Facto- ries
1	2	3	4	5	6	7
July, 1960 . . .	1.3	0.3	0.9	0.3	2.0	0.9
August, 1960 . . .	0.7	0.6	0.7	0.9	0.3	0.7
September, 1960 . . .	*	3.4	1.3	0.7	—	0.4
October, 1960 . . .	0.1	6.4	2.5	0.8	1.0	0.9
November, 1960 . . .	0.4	0.3	0.4	0.2	2.7	1.2
December, 1960 . . .	—	3.3	1.3	0.6	0.4	0.5
January, 1961 . . .	*	0.4	0.2	0.1	0.7	0.3
February, 1961 . . .	0.1	0.1	0.1	0.1	0.8	0.4
March, 1961 . . .	—	2.0	1.0	0.2	3.4	1.6
April, 1961 . . .	0.1	0.1	0.1	0.2	5.8	2.3
May, 1961 . . .	0.9	5.9	2.8	0.1	0.1	0.1
June, 1961 . . .	0.2	0.1	0.2	0.1	0.7	0.3
Overall . . .	0.3	2.0	1.0	0.4	1.5	0.8

\* Less than 0.05.

† Q uits are termination of employments initiated by employees, because of acceptance of jobs elsewhere, dissatisfaction, marriage, maternity, ill-health, unauthorised absence, etc.

It would be seen that the overall average accession and separation rates, for the Industry as a whole, were very low, being less than 1 per cent. As between different months, accession rate varied from 0.1 per cent. to 2.8 per cent. whereas the rate of separation ranged between 0.1 per cent. and 2.3 per cent. The accession as well as separation rates were usually higher in small factories as compared to those in large establishments.

An attempt was made during the Survey to collect information pertaining to separations by causes also. From the data appearing in Statement 2.10 it would appear that about 66 per cent. of the separations were on account of discharges or dismissals and the rest (34 per cent.) were accounted for by quits, retirement or death, etc. Significantly enough, the proportion of discharge or dismissals was far higher in small factories (72.9%) than that in the large ones (47.6%).

#### STATEMENT 2.10

##### *Estimated Percentage Distribution of Separations by Causes* (During July, 1960 to June, 1961)

Size Group	Causes			
	Discharge or Dismissals	Quits	Retirement or Death	Others
1	2	3		
1. Large Factories . .	47.6	23.8	19.3	9.3
2. Small Factories . .	72.9	24.0	2.3	0.8
3. All Factories . .	65.9	24.0	7.0	3.1

#### 2.11. *Training and Apprenticeship—*

The Survey has revealed that training and apprenticeship facilities were provided in about 39 per cent. of the cement factories in the country. Such facilities existed in more of large establishments than in small ones, their respective percentages being 60 and 25. The facilities were found to have been provided on an *ad hoc* basis in about four-fifths of the factories having such arrangements and in the rest, there were regular schemes. None of the managements guaranteed employment to apprentices after they successfully completed their training.

The training was generally imparted in such trades or occupations as fitter, moulder and kiln-igniting. The period of training varied from six months to four years depending upon the nature of the trade and the degree of skill required.

The remuneration to apprentices also varied widely but was around Rs. 50 p.m. in the initial stages of training. There were also instances where no payment was reportedly made since the period of apprenticeship was treated as a part of practical training.

## CHAPTER III

### WAGES AND EARNINGS

The Labour Investigation Committee had conducted a wage census in some of the cement factories in the country on a sample basis in 1944-45. They had found that there was little or no standardization in the Industry, either in regard to the nomenclature of occupations or in regard to wages. They had further observed that, in the Industry as a whole, 61.4 per cent. of the total workers had an earning of less than Re. 1 per day and slightly over one-third of the total were in the earning group 'annas eight to annas twelve'.

Subsequent years have witnessed a rise in the earnings of workers in the Cement Industry. The Central Wage Board for the Cement Industry, appointed in 1958, found the then existing basic wage in the majority of Cement Centres as Rs. 26 per month. After examining the wage structure, in threadbare details, they recommended for workers employed in all regions, except in the Gujarat and Saurashtra regions of Bombay State, the lowest wage of Rs. 94 per month. Deducting Rs. 3 as the value of amenities provided by the employers, this recommendation resulted in a cash wage of Rs. 91. They further recommended a split-up of the cash wage of Rs. 91 into Rs. 52 basic, Rs. 31.50 dearness allowance and Rs. 7.50 house rent allowance. The dearness allowance was to vary with the All-India Consumer Price General Index—base 1949. As regards the Gujarat and Saurashtra regions of Bombay State, the lowest wage recommended was Rs. 101 per month, thereby allowing a cash wage of Rs. 98 per month. These recommendations came into force w.e.f. 1st January, 1960.

The results of the present Survey show that there has been a noticeable increase in the level of wages prevailing in the Cement Industry. The extent to which wages have increased, would be evident from the information given subsequently.

#### 3.1. *Wage Revisions—*

During the course of the Survey, information relating to wage revisions affecting a majority of workers in the sampled units since 1956 was collected. The available data show that about 85 per cent. of units in the country reported such revisions. Of these, there was only one such revision in about 46 per cent. of units and two revisions in the remaining ones as the following Statement would show :

#### STATEMENT 3.1

*Estimated Percentage Distribution of Factories According to Number of Wage Revisions since 1956*

Size Group	Percentage of Factories in which Revisions took place		
	Once	Twice	Thrice
1	2	3	4
1. Large Factories . . . . .	60.0	40.0	—
2. Small Factories . . . . .	33.3	66.7	—
3. All Factories . . . . .	46.2	53.8	—



Of the wage revisions in the Industry since 1956, about 48 per cent. were consequent to the recommendations of the Central Wage Board for Cement Industry, approximately 41 per cent. by agreements between the employees and employers and the rest (11 per cent.) were due to voluntary decisions of employers.

### 3.2. Pay Periods—

The Payment of Wages Act, 1936, provides that no wage period should exceed one month and that wages earned should be paid to workers within a prescribed time limit after the expiry of the period to which they relate. Tradition, usage and nature of work, etc., often influence the wage period prevailing in different industrial establishments in the country. Information about the different pay periods in the Cement Industry collected during the Survey, appears in the following Statement :

#### STATEMENT 3.2

*Estimated Percentage Distribution of Workers According to Pay Periods in the Cement Industry*  
(June, 1961)

Size Group	Percentage Distribution of Workers whose Pay Period was		
	Month	Fortnight	Week
1			
1. Large Factories . . . . .	71.5	5.3	23.2
2. Small Factories . . . . .	100.0	—	—
3. All Factories . . . . .	81.7	3.4	14.9

Apparently, the predominant wage period in the Industry was a month inasmuch as 82 per cent. of the employees received their pay packet every month. Those who were paid their dues once a fortnight constituted about 3 per cent. while for the rest (about 15 per cent.), the pay period was a week. A significant difference was observed in this respect between the large and small factories. Whereas in the large factories, only about 72 per cent. of the employees received monthly payments, in small ones, all the employees were monthly-rated.

### 3.3. Earnings—

Information relating to man-days worked, and the basic wages, dearness allowance and other emoluments earned by workers during a pay period, preceding the specified date (i.e. June 30, 1961) was collected from each of the sampled units during the course of the Survey. The data relate to workers covered under the Factories Act. As the 'Production Workers' constituted the bulk of the working force, information for this group was collected separately for men and women\*. Since, however, the Bureau

\* No children were found employed in the Industry at the time of the Survey and, as such, data could not be collected for the same.

had already conducted a detailed occupational wage survey in 1958-59, data relating to earnings of workers by occupations were not collected when the present Survey was held.

Based on the results of the Survey, the average daily earnings of a worker in the Cement Industry have been estimated at Rs. 5.36 during June, 1961. Details appear in the following Statement :

### STATEMENT 3.3

#### *Estimated Average Daily Earnings of Workers in the Cement Industry*

(June, 1961)

(In Rupees)

Size Group	All Workers*	Production Workers		
		Men	Women	All Production Workers
1	2	3	4	5
1. Large Factories . . .	4.99	4.61	3.47	4.60
2. Small Factories . . .	5.99	4.94	—	4.94
3. All Factories . . . . .	5.36	4.74	3.47	4.74

\* All Workers Covered under the Factories Act i.e., Technical, Administrative, Production (including Supervisory), Clerical (including Supervisory) and Watch and Ward and Other Services including contract labour.

It will be seen that the average daily earnings of 'all workers' as well as of 'Production Workers' were higher in smaller establishments. This was due, firstly, because in one of the large establishments surveyed the recommendations of the Central Wage Board for Cement had not been implemented at the time of the Survey, they were implemented subsequently with retrospective effect; secondly, because the overtime earnings in small factories were considerably higher than those in large units; thirdly, because contract labour, which was generally the lowest-paid, was engaged in large factories alone; and finally, the percentage of professional, technical and related personnel, who are better paid, was almost double in small factories as compared to that in the large ones.

Taking the 'Production Workers' alone into account, their overall average earnings were Rs. 4.74, thus being lower by 12 per cent. than those of 'all workers'. The earnings of the latter were obviously high due to the impact of higher pay of managerial, technical and administrative personnel, etc. It will be further noticed that the average daily earnings of male 'Production Workers' were Rs. 4.74 while women 'Production Workers' earned, on an average, Rs. 3.47 only. The latter's earnings, as such, formed only about 73 per cent. of men's earnings.

#### 3.4. Lowest-Paid Production Workers—

Data in respect of earnings of the lowest-paid 'Production Workers' were collected separately. Such workers were generally found to be employed as *Mazdoors*, *Khalasi*, *Helpers to Fitter*, *Beldars*, etc. The average

daily earnings of the lowest-paid 'Production Workers', *vis-a-vis* 'all workers' and 'all Production Workers' are given in the following statement:

## STATEMENT 3.4

*Estimated Average Daily Earnings of Lowest-Paid Production Workers and Others*

(June, 1961)

(In Rupees)

Size Group	Average Daily Total Earnings of		
	Production Workers	Lowest paid Production Workers	All Workers
1	2	3	4
1. Large Factories . . .	4.60	3.44	4.99
2. Small Factories . . .	4.94	2.99	5.99
3. All Factories . . .	4.74	3.39	5.36

It is apparent from the Statement (3.3) that the average daily earnings of the lowest-paid 'Production Workers' formed about 63 per cent. of those of 'all workers' and 72 per cent. of 'Production Workers'. As between the two size groups of factories, the average daily earnings of the lowest-paid 'Production Workers' were pretty higher in the large factories. This is note worthy particularly in view of the fact that the situation in the case of 'Production Workers' and 'all workers' was found to be otherwise.

3.5. *Earnings of Clerical and Watch and Ward Staff—*

Separate information regarding the earnings of 'Clerical' and 'Watch and Ward' staff was also collected and is given in the following Statement:

## STATEMENT 3.5

*Estimated Average Daily Earnings of Clerical and Watch and Ward and Other Services*

(June, 1961)

(In Rupees)

Size Group	Clerical and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3
1. Large Factories . . . . .	8.03	4.49
2. Small Factories . . . . .	9.69	4.72
3. All Factories . . . . .	8.58	4.59

The average daily earnings of 'Clerical and Related Workers' (including supervisory staff) were Rs. 8.58 at the all-India level as against Rs. 5.29

and Rs. 4.66 for 'all workers' and 'Production Workers', respectively. (Statement 3.2). Thus, on an average, 'Clerical and Related Workers' earned much more than 'all workers' and 'Production Workers' and this was so in both large and small factories. In fact, in the small factories, the 'Clerical and Related Workers' are estimated to have earned much more in June, 1961 than their counterparts in large establishments. As regards 'Watch and Ward and Other Services', they, on an average, earned Rs. 4.59 per day and compared well with the earnings of 'Production Workers' and 'all workers'.

### 3.6. *Components of Earnings—*

Data in respect of earnings collected during the course of the Survey reveal that the pay packet of the workers primarily consisted of basic earnings though the proportion of other allowances was not insignificant. The break up of the total earnings of 'all workers' is given in Statement 3.6.

3.6.1. *Basic Earnings*—The basic earnings i.e., the basic wages and dearness allowance, (where paid separately) or the consolidated wages accounted for nearly 87 per cent. of the total earnings of the workers in the Cement Industry as a whole. It is note-worthy that this proportion was higher in large factories as against the same in small ones indicating thereby that workers received a higher proportion on account of other allowances in the smaller establishments.

It was observed that dearness allowance in addition to basic wages was being paid separately in about 85 per cent. of the factories, representing all large and three-fourths of the small ones. In the rest (i.e. 15 per cent.), only consolidated wages were being paid. Happily, it was found that in all the units paying separate dearness allowance the same had been linked to the Consumer Price Index Numbers\*.

3.6.2. *Production/Incentive Bonus*—Survey has revealed that the system of payment of production/incentive bonus existed in only one out of the four small factories surveyed. None of the large factories had any such system. That explains as to why the proportion which this bonus formed to the total earnings of the employees was insignificant at the Industry level (Statement 3.6). In the small factory paying bonus some formula was being used for arriving at the bonus amount which was then equally distributed among the workers.

3.6.3. *Night Shift Allowance*—None of the cement factories surveyed and working night shifts, was paying night shift allowance to its workers.

3.6.4. *House Rent Allowance*—House rent allowance, though being paid in all the large and half of the small factories surveyed, did not swell the average daily earnings of the workers to a very significant extent, constituting, as it did, about 4.3 per cent. of the total earnings of the workers at the Industry level (Statement 3.6).

Though the rate of house rent allowance varied from unit to unit, yet the minimum in all the factories paying the said allowance was the same i.e., Rs. 7.50 per month as recommended by the Central Wage Board for Cement Industry. The beneficiaries were all workers in almost all such units though, however, casual labour and contract labour were excluded from the scope of the benefit in some of them.

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\* This was as per recommendation of the Central Wage Board on Cement Industry.

# STATEMENT 3.6

## Estimated Average Daily Earnings by Components of Workers in the Cement Industry

(June, 1961) (In Rupees)

Size Group	Basic Earnings (Basic Wages and D.A. or Consolidated Wages)	Production Incentive Bonus	Night Shift Allowance	House Rent Allowance	Transport Allowance	Overtime Pay	Attendance Bonus	Other Allowances**	Total
1	2	3	4	5	6	7	8	9	10
1. Large Factories . . .	4.44	—	—	0.25	—	0.28	*	0.02	4.99
2. Small Factories . . .	4.96	0.01	—	0.20	—	0.82	—	—	5.99
3. All Factories . . .	4.64	*	—	0.23	—	0.48	*	0.01	5.36

\* Less than Re. 0.005.

\*\* Special/Special Food Allowance and Dus\* Allowance.

3.6.5. *Transport or Conveyance Allowance*—The survey results show that transport or conveyance allowance was not being paid in any of the units surveyed.

3.6.6. *Overtime Pay*—Overtime work seems to have played a significant role in inflating the average daily earnings of the employees in the Cement Industry. This was particularly in evidence in the case of small factories where the overtime pay constituted as much as 14 per cent. of the average daily earnings of the employees (Statement 3.6) as against about 6 per cent. in the large factories.

3.6.7. *Other Allowances*—The proportion of other cash allowances such as special allowance, special food allowance and dust allowance was not at all significant, contributing hardly Re. 0.01 to the average daily earnings of the employees. Such allowances were paid only to some individuals in a few of the large factories surveyed.

3.6.8. *Concessions in kind*—No other concessions were being enjoyed by the workers in the Industry.

3.6.9. *Attendance Bonus*—There was no scheme as such in the Industry except that in one of the large factories surveyed, a regular attendance allowance, at the rate of Rs. 3 p.m. was paid to continuous-shift workers. Since the amount was paid in only one of the units surveyed, its impact on the average daily earnings of workers at the Industry level was insignificant.

### 3.7. *Bonuses*—

3.7.1. *Annual Bonus*—The practice of paying annual bonus was found to be in vogue in 80 per cent. of large and 50 per cent. of small factories surveyed or about 62 per cent. of the factories in the Industry. In nearly 37 per cent. of the units paying annual bonus, there was a regular scheme regulating the payment of bonus whereas in the rest (i.e., about 63%) such payment had not been regularised. In approximately one-fourth of all units paying bonus, the same was at the discretion of the management but in the remaining three-fourths, some pre-concluded agreements formed the basis of payment.

3.7.2. *Festival Bonus*—None of the units surveyed were paying festival bonus to their employees.

3.7.3. *Profit-sharing Bonus*—No scheme for the payment of profit-sharing bonus seems to have been in operation in any of the units surveyed excepting a solitary case of a small factory in the Industry wherein a regular scheme of profit-sharing bonus was reported to be in force since 1950. The scheme, which was the result of voluntary agreement between the management and workers, covered all categories of workers. The amount of bonus to be paid was determined at the rate of  $12\frac{1}{2}$  per cent. of total earnings in the calendar year.

### 3.8. *Fines and Deductions*—

Information collected reveals that the practice of imposing fines was not in vogue in any of the cement factories surveyed.

As regards deductions, all the units surveyed were effecting the same as required under the Payments of Wages Act. However, in only about 31 per cent. of such units, the deduction registers were being maintained in conformity with the requirements of law.

## CHAPTER IV

### WORKING CONDITIONS

Working conditions obtaining in Indian industries have all along attracted the attention of the Government of India as well as the State Governments. As a result, the significant improvements in the conditions of work owe a good deal to the legislative enactments, particularly the Factories Act, 1948. From all accounts, it appears that the Cement Industry has not lagged behind. It is no wonder, then, that the Labour Investigation Committee had a word of praise for the Industry when they observed that judging from prevailing standards in the country, insofar as working conditions are concerned, this industry has done well for its labour\*. The present Survey has amply substantiated the above observations as the following paragraphs would show.

#### 4.1. Shifts—

The Labour Investigation Committee, during the course of their Enquiry, had observed that cement factories, being continuous process factories, worked all the 24 hours of the day. Usually, according to them, there were three shifts of 8 hours each without any interval, and a general shift of 8 or 9 hours. Only in two of the factories surveyed by them, they had found that the hours per shift in the continuous-processes were  $7\frac{1}{2}$  only with half an hour's interval and a spread-over of 8 hours.

The present Survey has shown that all the large and 50 per cent. of small factories surveyed were working three shifts daily. In the Industry as a whole, it is estimated that nearly 71 per cent. of the factories were working three shifts daily and the remaining (i.e. 29\*\*%) worked one shift daily. It would be noticed from the following statement that the single shift system was confined only to small factories.

#### STATEMENT 4.1

*Estimated Percentage of Cement Factories According to Number of Shifts*  
(1961-62)

Size Group	Number of Factories	Percentage of Factories having		
		One Shift	Two Shifts	Three Shifts
1. Large Factories . . .	14	—	—	100.0
2. Small Factories . . .	20	50.0	—	50.0
3. All Factories . . .	34	29.4	—	70.6

All those factories which worked three shifts daily had a night shift as well. No special amenities like free tea, etc., or night shift allowance were being provided to the workers working in night shifts. However, a regular system of transferring workers from day shift to night shift, and *vice versa*, existed in all these units. The interval after which such a change-over was

\* Report on Cement Industry, p. 51.

\*\* These were Hume pipe factories which did not have a continuous process.

made, was a week in all but two of the establishments surveyed. In the latter, the change-over was effected after five days in one and two days in the other.

#### 4.2. *Hours of Work—*

Data collected show that no cement factory in the country had more than an 8-hour day and a 48-hour week. In all the large factories surveyed, the number of daily hours worked was  $7\frac{1}{2}$  in each shift whereas, workers in all the small factories surveyed worked for 8 hours per day. It was further noticed that night shift hours in all the factories having such shifts were the same as for the day shifts i.e.,  $7\frac{1}{2}$  and 8 for the large and small units, respectively. Details appear in Statement 4.2.

As mentioned elsewhere, only about 33 per cent. of the cement factories in the country employed contract labour. Such workers were reported to be working for 8 hours a day.

As regards the practice in respect of spread-over and rest intervals in the cement factories, the data collected appear in Statement 4.3.

It is apparent from the Statement (4.3) that all the large factories and half of small factories surveyed, constituting about 71 per cent. at the Industry level, had a spread-over of 8 hours during the day shift. In the rest (i.e. about 29%), the spread-over was more than 8 and upto 9 hours. The duration of rest interval was half an hour in about 41 per cent. of the units in the Industry, as a whole, and more than half an hour in about 29 per cent. In the remaining 30 per cent. of units, it was reported that there was no fixed rest interval.

In all the factories having night shifts, the spread-over was 8 hours. The duration of rest interval for night shift workers was half an hour in about 58 per cent. of the factories while the rest of the units had no fixed rest interval.

#### 4.3. *Dust and Fumes—*

The Survey has revealed that there were a few dusty processes in the cement factories giving off considerable dust. In fact, most of the factories surveyed had reported the existence of such dusty processes as limestone crushing, packing, etc. In all such factories, the precautionary measures taken were in the form of either isolation of the dusty processes or provision of local and/or general exhaust ventilation. Dust masks had also been provided to workers in about 47 per cent. of such factories. In some of the others, the workers were found with their mouths covered with a piece of cloth while working.

#### 4.4. *Seating Arrangements—*

Under the Factories Act, 1948, it is obligatory on the part of the managements to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of their work. It was found during the Survey that about four-fifths of large factories had made arrangements for sitting; they were, however, totally absent in the small factories surveyed. Of those not providing such facilities, some maintained that the provision of seats would hamper the progress of work and impair the efficiency of workers. Justification given by others for not providing seats was based on the nature of work performed, lack of space, etc.



STATEMENT 4.2  
Daily Hours of Work in Cement Factories  
(1961-62)

Size Group	Number of Factories	Estimated Percentage of Factories Where						
		Daily Hours of Work for Majority of Adult Workers were			Night shift hours were			
		Less than 7	Equal to 7½	More than 7½ and upto 8	Less than 7	Equal to 7½	More than 7½ and upto 8	
1	2	3	4	5	6	7	8	
1. Large Factories . . . . .	14	—	100.0	—	—	100.0	—	
2. Small Factories . . . . .	20	—	—	100.0	—	—	100.0	
3. All Factories . . . . .	34	—	41.2	58.8	—	58.3	41.7	

STATEMENT 4.3  
Estimated Percentage Distribution of Cement Factories According to Duration of Spread-Over and Rest Intervals, etc.  
(1961-62)

Size Group	Number of Factories	Percentage of Factories where spread-over was for															
		Percentage of Factories where Rest Interval was for								Percentage of Factories where Rest Interval was for							
		Day Shifts				Night Shifts				Day Shifts				Night Shifts			
		Less than 8 hours	Equal to 8 hours	More than 8 hours	Less than 8 hours	Equal to 8 hours	More than 8 hours	Less than 8 hours	Equal to 8 hours	More than 8 hours	Less than 8 hours	Equal to 8 hours	More than 8 hours	Less than 8 hours	Equal to 8 hours	More than 8 hours	Less than 8 hours
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
1. Large Factories	14	—	100.0	—	—	100.0	—	—	100.0	—	—	—	100.0	—	—	—	
2. Small Factories	20	—	50.0	50.0	—	100.0	—	—	—	50.0	50.0	—	—	—	100.0	—	
3. All Factories . . . . .	34	—	70.6	29.4	—	100.0	—	—	41.2	29.4	29.4	—	58.3	—	41.7	—	

#### 4.5. *Conservancy*—

The Factories Act, 1948, has made it obligatory for every factory to maintain an adequate number of latrines and urinals for the use of the workers; the standards for such arrangements have also been specified.

The Survey has revealed that in most of the cement factories (about 85%), latrines had been provided, the solitary exception being a small factory. The latrines provided were of water-borne septic tank type in about 81 per cent. of such factories and water-borne sewer type in the remaining units (i.e., 19%). All the latrines provided were of a permanent type with impervious floors and most of them were properly screened to afford privacy. Water taps in or near the latrines were found to have been provided in all the units having latrines. It was further observed that in about 79 per cent. of the units employing women workers, separate arrangements for such workers had been made.

Besides latrines, urinals had been provided in about 56 per cent. of the cement factories and in most of them, the same had been properly screened. The construction of all the urinals was of a permanent type and the floors were invariably impervious. Among the factories providing urinals and employing female workers, separate arrangements for them existed in about 21 per cent. alone.

The number of latrines and urinals provided was generally adequate in most of the units surveyed.

#### 4.6. *Leave and Holidays*—

In 1944-45, when the Labour Investigation Committee conducted their Enquiry, there was generally no system of granting leave with pay to the workers in the cement factories. However, considerable improvement in this direction has since taken place as a result of the amendment of the Factories Act. The following Statement, based on the data collected during the Survey, shows the prevailing practice in regard to the granting of leave and holidays in the cement factories in the country.

#### STATEMENT 4.4

*Estimated Percentage of Factories Granting various Types of Leave with Pay (1961-62)*

Size Group	Total Number of Factories	Percentages of Factories Granting			
		Earned Leave	Sick Leave	Casual Leave	Festival and National Holidays
1	2	3	4	5	6
1. Large Factories . . .	14	100.0	100.0	100.0	100.0
2. Small Factories . . .	20	100.0	75.0	75.0	100.0
3. All Factories . . .	34	100.0	85.3	85.3	100.0

##### 4.6.1. *Earned Leave*—

Annual or earned leave with pay is the only leave facility which the employers are statutorily obliged to grant to their employees under Section 79 of the Factories Act, 1948. The Act provides that every worker who has

worked for a period of at least 240 days during a calendar year, should be allowed, during the subsequent period of twelve months, leave with wages for a number of days calculated at the prescribed rate.

The present Survey has revealed that all the cement factories in the country had a system of granting earned leave to their workers. As regards the period of leave, qualifying conditions and the rate of payment, the managements generally followed the provisions of the Factories Act. In a few units, certain specified categories of staff, e.g., some monthly-rated and supervisory staff enjoyed better benefits inasmuch as they were entitled to 30 days' leave in a year on full normal pay.

With a view to assessing the extent to which the workers had actually enjoyed the benefit of earned leave during the year 1960, data in respect of such workers were collected during the course of the Survey. The findings appear in Statement 4.5.

This Statement highlights some interesting facts; firstly, that a large majority of workers (about 86%) had enjoyed earned leave during the above period and, secondly, that the proportion of workers who had availed themselves of this facility was just the same in both large as well as small factories. As regards the period of leave availed of, comparatively more workers (about 32%.) enjoyed leave for a period of over 10 to 15 days. Those who enjoyed over and upto 20 days leave, formed the next important group, constituting 25 per cent. of the total. Other groups formed smaller proportions.

#### 4.6.2. *Casual Leave*—

There is no mention in the Report of the Labour Investigation Committee about the system of granting casual leave in any of the cement factories covered by them. However, during the present Survey, it was found that besides annual leave with wages, workers in about 85 per cent. of the factories in the country were also enjoying the benefit of casual leave with pay (Statement 4.4). It was further observed that in nearly 63 per cent. of such factories casual leave was admissible to all the workers while, in the remaining units, this facility was restricted to some categories of staff only.

In approximately 90 per cent. of the units granting casual leave, it was allowed only up to 10 days in a year. In the rest (i.e., about 10%), the period of casual leave allowed varied from 11 to 15 days. Full consolidated wages or basic pay and dearness allowance, as the case might be, were payable in all such establishments for the period of casual leave. Excepting a few units where completion of one year's service was insisted upon no qualifying conditions had been prescribed for entitlement to this facility.

#### 4.6.3. *Sick Leave*—

None of the cement factories were reported to be granting sick leave to their operatives at the time of the Labour Investigation Committee's Enquiry. Results of the present Survey, however, indicate a significant improvement in this direction inasmuch as workers in all large and about 75 per cent. of small factories, constituting nearly 85 per cent. of all the cement factories surveyed, were enjoying the benefit of sick leave. In about 73 per cent. of such factories, the benefit was available under the Employees State Insurance Scheme and in the remaining 27 per cent., it was being granted by the managements. In units belonging to the latter category, 7 to 21 day's sick leave was being granted by the managements. There was no uniformity in regard to the types of employees entitled to the same.

STATEMENT 4.5  
*Estimated Number of Workers Granted Earned Leave with Pay*  
(During 1960)

Size Group	Average Daily Number of Workers employed	Number of Workers enjoyed leave	Percentage of workers who enjoyed leave to the total employed	Percentage of Workers who enjoyed leave						
				Up to 5 days	Over 5 up to 10 days	Over 10 up to 15 days	Over 15 up to 20 days	Over 20 up to 25 days	Over 25 up to 30 days	Over 30 days
1	2	3	4	5	6	7	8	9	10	11
1. Large Factories	15,896	13,935	87.7	8.5	13.0	34.3	19.2	8.2	6.5	10.3
2. Small Factories	8,739	7,627	87.3	4.3	9.1	27.7	34.2	11.6	6.4	6.7
3. All Factories	24,635	21,562	85.5	7.0	11.6	32.0	24.5	9.4	6.5	9.0

In approximately three-fourths of such units, the workers entitled to this facility were allowed to avail of the leave on full basic pay and dearness allowance while in the remaining units, sick leave was allowed on half pay only.

#### 4.6.4. *National and Festival Holidays—*

From the report of the Labour Investigation Committee it would appear that, at the time of their Enquiry, the practice of granting national and/or festival holidays in the Cement Industry probably did not exist. However, the results of the present Survey show that since then the practice of granting national and/or festival holidays with pay has become universal in cement factories in the country inasmuch as all of them were found to be allowing such a benefit (Statement 4.4). Excepting a few units where casual labour was excluded from the scope of the benefit, all workers in the remaining units were entitled to these holidays.

In about 85 per cent. of the units granting national/festival holidays, the number of holidays allowed was up to 10 in a year. In the remaining units, 11 to 15 holidays were granted on this account. No conditions were attached for claiming pay for such holidays in about 78 per cent. of the units. The rest of the units (i.e., about 22%) imposed such conditions as attendance on the preceding and/or succeeding working days.

#### 4.7. *Weekly-offs—*

The Labour Investigation Committee had remarked that in the general shift in the Cement Industry Sunday was usually observed as a closed holiday while for continuous-process workers, there was no uniformity as regards the rest period given to them. At the time of the present Survey, it was found that all the cement factories surveyed were complying with the provision of the Factories Act regarding the grant of a weekly day of rest to workers. However, payment for such weekly-offs was being made in only about 85 per cent. of the units surveyed. In most of such units, usually all workers were entitled to receive the payment except in a few cases where the payment was restricted to monthly-rated employees.

## CHAPTER V

### WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various Committees and Commissions appointed from time to time, for enquiring into the working conditions of industrial labour in India have never failed to pinpoint the urgency and utility of ameliorative measures for promoting the welfare of the workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving the lot of the working class. Besides facilities provided in compliance to the law, there are many items of welfare which some of the employers have voluntarily undertaken for the benefit of their employees. Apart from humanitarian considerations, the importance of the provision of welfare amenities has been increasingly recognised from the point of view of preservation of the efficiency of workers which, in turn, contributes to higher productivity.

During the present Survey, an attempt was made to assess the extent to which the cement factories in India had actually provided welfare facilities to their workers. The information collected in respect of various welfare activities (both obligatory and non-obligatory) is presented\* in the following paragraphs.

#### 5.1. *Drinking Water Facilities* --

Suitable arrangements for the supply of drinking water were found to be existing in all the cement factories in the country. Such facilities were generally provided in the form of water taps. (Statement 5.1).

Presumably, keeping in view the hygienic considerations, the Factories Act prohibits the location of any drinking water point within 20 feet of latrines and urinals. It was found during the course of the Survey that in none of the cement factories the drinking water point was situated within the prohibited distance.

The Factories Act provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during certain specified period of the year. The Survey has revealed that all large and approximately half of the small factories were under such a statutory obligation. However, of these, only 60 per cent. of the large and 50 per cent. of the small units, constituting about 56 per cent. at the all-India level, were found to be complying with the provisions of law and supplying cool drinking water to their employees during the summer season. All large factories which had made special arrangements for summer months, were providing refrigerated water or were keeping water coolers and other such devices.

#### 5.2. *Washing Facilities*—

Section 42 of the Factories Act lays down that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory.

# STATEMENT 5.1

## Drinking Water Facilities in the Cement Industry

(1961-62)

Size Group	Total Number of Factories	Estimated Percentage of Factories where	Estimated Percentage of Factories where Water was supplied through		
			Tap Water	Earthen Pitches	Tap Water and Earthen Pitches
1	2	3	4	5	6
1. Large Factories . . . . .	14	100.0	60.0	—	40.0
2. Small Factories . . . . .	20	100.0	30.0	25.0	25.0
3. All Factories . . . . .	34	100.0	54.1	14.7	31.2

It was observed during the present Survey that all cement factories in the country had provided washing facilities. Taps on stand pipes was the predominant arrangement for this purpose. Other arrangements were wash basins with taps and taps fixed on tanks.

It was also noticed that, of the large factories employing women, in only about 67 per cent., separate washing facilities had been provided for them. In small factories, 25 per cent. of which were employing women, no separate facilities were found to be existing. On the whole, separate washing arrangements for women had been made in only about 16 per cent. of the total number of factories providing washing facilities. A noteworthy feature was that in each of the units providing separate washing facilities for women, proper screening arrangements had been made.

In nearly 85 per cent. of the cement factories, some cleansing material like soap, etc., was supplied to workers.

### 5.3. *Bathing Facilities*—

The Factories Act does not contain any specific provision relating to bathing facilities but it authorises State Governments to make rules requiring certain types of factories to provide such facilities for certain categories of employees. Survey results show that about 48 per cent. of the factories had provided bath-rooms. Among the large factories providing bathing facilities, separate bath-rooms for men and women existed in approximately one-fourth of them; in the remaining three-fourths, bath-rooms for men only were found. In all the small units providing bathing facilities (i.e., 25%), there were bath-rooms for men only. Bathing places wherever provided, in large as well as small units, were generally kept clean.

### 5.4. *Canteens*—

The Labour Investigation Committee had noticed that some of the cement factories surveyed by them were running canteens where light refreshments and tea were being served. In one of these canteens, being worked on a co-operative basis, food was also being served. The Committee had also taken due note of the fact that, in 1944-45, there was no law regulating the establishment of canteens. However, since then, a specific Section has been incorporated in the Factories Act, 1948, empowering the State Governments to make rules requiring that in any specified factory wherein more than 250 persons are ordinarily employed, an adequate canteen conforming to the prescribed standards should be provided for the use of workers.

The results of the present Survey indicate that all large and half of small cement factories were under a statutory obligation to provide canteen facilities to their employees, and all of them had actually done so. It is thus estimated that at the all-India level, about 71 per cent. of the units had provided canteens for the benefit of their employees.

Meals were being served in all the small and one-third of the large factories having canteens. Canteens in the remaining two-thirds of the large factories were offering only tea, coffee, and snacks, etc., for sale. All such factories where canteens existed were found to have made adequate drinking water arrangements therein.

In all small factories having canteens, they were being run by the managements. As against this, about 83 per cent. of the canteens in large factories were being run by the managements and the rest by contractors.



Canteen Managing Committees were functioning in all the cement factories having canteens and prices of articles supplied were being fixed by these Committees. It may be mentioned that even in those factories where canteens were being run by contractors (about 10 per cent.) Canteen Managing Committees had been appointed and they had been made responsible for fixing the prices of articles. Nearly 80 per cent. of the large and 50 per cent. of the small factories having canteens were regularly paying subsidies to them. While in small units, the subsidy was being given in each case, to supply articles at cheap rates, for the large factories it was so only in respect of 75 per cent. of the units granting subsidy. In the remaining 25 per cent. of the large factories giving subsidy the same was meant to meet losses incurred in running canteens.

It was also found during the course of the Survey that in 80 per cent. of the large and 50 per cent. of the small factories having canteens, price lists of various items sold, duly approved by the managing committees, were displayed in the canteen halls. On an all-India level, the percentage of canteens in cement factories displaying price lists was about 67.

Of the total estimated number of workers employed in cement factories having canteens (i.e., 28,020), 17,780 workers (or about 63%) were estimated to be visiting canteens. It was also observed that canteens in all the units were satisfactorily located inasmuch as their surroundings were clean, and they were some distance away from the work place. In nearly 80 per cent. of these canteens, the hygienic conditions were also found to be good. However, the remaining canteens (i.e., about 20%) left much to be desired from the hygienic point of view.

### 5.5. *Creches*—

The Labour Investigation Committee had found in 1944-45, that in the Cement Industry, as a whole, there was little employment of women. It is not surprising, therefore, that the Committee had made no mention of the existence of creche facilities in any of the cement factories surveyed by it. However, as a result of the Factories Act passed in 1948, it became obligatory for all factories employing more than 50 women workers to maintain a creche of prescribed standard.

On the basis of the present Survey, it has been estimated that nearly 39 per cent. of the cement factories in the country were employing women labour during June, 1961. However, since the law requires only those factories which employ more than 50 women workers to maintain a creche, it was found that only about 20 per cent. of the cement factories employing women (or about 8% of all factories) were under an obligation to provide this facility and they had done so. The Survey has also revealed that a few of those units which were under no obligation, had also provided creche facilities. In all such units, clothes, soap and towels, and milk and refreshments were made available. Some creche staff was also found to have been appointed in each one of these factories. However, on the whole, it was observed that creches in nearly half of the factories having them were being maintained in a satisfactory condition. In others, they were usually found ill-ventilated and poorly furnished.

### 5.6. *Lockers*—

Cement factories in the country are not under any statutory obligation to provide lockers. However, in one of the units surveyed (i.e. about 11% of all factories), lockers were found to have been provided for the workers.

### 5.7. *Rest Shelters—*

The Labour Investigation Committee did not make any mention of the existence of rest shelters in the cement factories surveyed by them. The Factories Act, 1934, which was in force at that time, contained only an enabling provision under which the State Government could order any factory employing more than 150 workers to provide a rest shelter. However, with the coming into force of the Factories Act, 1948, the maintenance of rest shelters became obligatory for every factory wherein more than 150 workers were ordinarily employed.

It was noticed during the course of the present Survey that none of the cement factories in the country was under a statutory obligation to provide rest shelters as they were already running canteens for their employees. However, approximately three-fifths of the units (comprising 80% of the large and 50% of the small) had provided this facility on their own, though, in nearly 87 per cent. of these, the standard was not in conformity with that prescribed under the law. The most common deficiency in these rest shelters was the complete absence or inadequacy of the furniture provided. Other defects noticed were improper ventilation and lighting and lack of cleanliness.

### 5.8. *Recreation Facilities—*

As regards the provision of recreation facilities in the cement factories, the Labour Investigation Committee seemed satisfied with the then existing arrangements and had remarked that almost all cement factories had clubs with reading rooms, indoor games and radio sets, etc., and also large playing fields; some had even gone to the extent of providing swimming pools for the use of their employees.

The Survey has revealed that all large and three-fourths of the small factories had provided recreation facilities to their employees. At the all-India level, this percentage was estimated to be nearly 86. While all large factories had made arrangements for indoor and outdoor games as well as cultural programmes, only about 67 per cent. of the small factories providing recreation facilities were found to have made such arrangements. The remaining units were reported to be arranging programmes on festive occasions alone.

In 80 per cent. of the large factories, recreation facilities were financed jointly by the managements and the workers; in the remaining 20 per cent. the cost was being met from the welfare funds of the units. It is noteworthy that in all the small factories providing recreation facilities, the same were being financed entirely by the managements.

### 5.9. *Educational Facilities—*

As far back as in 1944-45, the Labour Investigation Committee had observed that most of the cement factories in the country had provided educational facilities for the children of their employees. The Industry seems to have maintained its interest in this sphere and the information collected at the time of the present Survey shows that all the large and about one-fourth of the small establishments were providing schools, etc., for their employees' children. Thus, at the all-India level, in roughly 56 of large establishments while Middle Schools were found in the rest (i.e., 10%). In small factories, only Primary and High Schools were found to have been provided, their percentage being 50 for each category. No colleges

were being run anywhere. It is estimated that nearly 10,564 students were receiving education in these schools in June, 1961.

Hardly 29 per cent. of the cement factories providing educational facilities were reported to be not charging any fees from the children of their employees. About 14 per cent. were supplying stationery articles such as books, slates, pencils, etc., free of cost. Cement factories which were giving regular subsidies to the schools also constituted about 14 per cent. of the units surveyed and providing educational facilities.

Adult Education Centres were conspicuous by their absence in all the cement factories surveyed.

#### 5.10. Medical Facilities—

While expressing their dissatisfaction with the then existing medical facilities in the country, the Labour Investigation Committee had observed: "Generally speaking, the medical organisation in the country as a whole is extremely inadequate and correspondingly the special medical facilities provided by employers are also insufficient from both the quantitative and qualitative standards..... The medical facilities are, of course, of various types and grades ranging from mere first-aid to hospitals of first class type ..... The position in regard to the provision of maternity and child welfare centres is much less satisfactory than that of ordinary medical facilities".\* However, the position in regard to the Cement Industry was found to be quite different and, in this context, the Committee had remarked that "Most of these Units have well-equipped hospitals in which the workers and their families were given free medical treatment".\*\*

At the time of the present Survey, nearly 71 per cent. of the cement factories in the country, consisting of all large and half of the small units, had dispensaries/hospitals attached to them. Of these, nearly 79 per cent. had appointed full-time doctors for the purpose. Other staff appointed generally included compounders, dressers, nurses, ward boys and ayahs, etc.

In addition to the above units, 25 per cent. of the small factories surveyed were reported to have entered into a contract with some private doctors for the treatment of their employees. Another 25 per cent. of the small units surveyed had made *ad hoc* arrangements for the purpose. Thus, arrangements for medical attention existed in nearly 85 per cent. of the cement factories surveyed.

Generally, the doctors visited the workers' houses and took care of their health, and also looked after the sanitary conditions within the factory areas as well as in the factory colonies. Certifying medical fitness of workers at the time of recruitment, periodic medical check-up of the employees, etc., were some of the other duties of these doctors.

It was observed that 80 per cent. of the large factories were employing contract labour and the magnitude and quality of medical facilities available to them were the same as to the labour engaged directly.

##### 5.10.1. Ambulance Rooms—

Under the Factories Act, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The Rules

\* 'Main Report,' pp. 357-58.

\*\* 'Report on An Enquiry into Conditions of Labour in the Cement Industry in India'.

framed by the State Governments prescribe the requirements of such rooms. The Survey shows that all large factories and a quarter of small ones, constituting about 56 per cent. at the all-India level, were under a statutory obligation to provide ambulance rooms. However, only 20 per cent. of the large factories surveyed, or about 14 per cent. at the all-India level, had such rooms. It was further noticed, that all such factories had the ambulance rooms under the charge of full-time doctors.

#### 5.10.2. *First-aid—*

The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes at the rate of one for every 150 workers ordinarily employed. Standards have also been prescribed regarding the items to be provided in the first-aid boxes. The law further requires that such boxes should be readily accessible to workers during all the working hours.

The Survey has revealed that nearly 85 per cent. of cement factories surveyed, comprising all large and 75 per cent. of the small ones, had provided first-aid boxes for the use of their workers. Though it is mandatory that each box should be kept under the charge of a trained first-aiders, it was found that in only about 63 per cent. of the units having first-aid boxes, there were trained first-aiders. In most of the cases, the type of training received by the first-aiders was under the St. John's Ambulance.

In 56 per cent. of the cement factories maintaining first-aid boxes, the contents of these boxes were found to be complete. In the remaining factories, some or the other deficiency in the first-aid equipment was noticed. It was also seen that in all the factories, where first-aid boxes were kept, they were easily accessible to the workers during the working hours.

#### 5.11. *Transport Facilities—*

Workers in the Cement Industry were usually not given any transport facilities by the managements. The reason is that a majority of workers lived, generally, not very far from the factories. As such, only about 15 per cent. of the cement factories in the country were reported to be providing free transport facilities to a few of the workers. Besides, in one of the large units surveyed, a bus was found to be plying between the factory and the railway station at the hours of arrival and departure of trains and the concerned employees could avail of this bus service free of cost. In no cement factory the workers were found to be getting any cash allowance *in lieu* of the non-provision of transport facilities.

#### 5.12. *Other Amenities—*

The Labour Investigation Committee had stated in their Report that most of the cement factories in the country were running cheap grain shops. The Committee also observed that the factories of the Associated Cement Companies had started a Benefit Fund for relieving distress among the operatives by advancing loans and also making certain *ex-gratia* payments to the sick employees.

The present Survey has revealed that nearly 31 per cent. of the cement factories, comprising 40 per cent. of large and 25 per cent. of small units, were running grain shops for the benefit of their employees. Of such factories, in about one-fourth, the articles were being sold at cost price and, in the remaining three-fourths, either on no-profit-no loss basis or on nominal profits. It is estimated that nearly 80 per cent. of the large factories

had co-operative stores and in the remaining 20 per cent. there were Housing Credit Societies. In the small units, however, no such stores or societies existed. Approximately 20 per cent. of the large cement factories were reported to be giving financial aid to the co-operatives.

### 5.13. *Housing Facilities—*

The Labour Investigation Committee had reported that nearly 31.5 per cent. of the total working force in the Cement Industry had been housed by the employers. That the Committee seemed quite impressed by the then prevailing housing facilities in the Industry is also apparent from their statement that "it must be admitted that the housing schemes for cement workers are some of the best to be found in the country and the employers have shown a great deal of imagination in the construction of the quarters in order to ensure the comfort and convenience of their employees".

The results of the present Survey show, that although nearly 85 per cent. of the factories, consisting of all large and three-fourths of the small units, were providing houses to their employees, the percentage of workers to whom houses had been allotted, remained almost the same, being about 31 per cent., as was at the time of Labour Investigation Committee's Enquiry in 1944-45. The number of one-roomed tenements far out-stripped that of two and three-roomed ones, their respective percentages, at the all-India level, being about 70, 17 and 13. This is clear from the following Statement.

STATEMENT 5.2  
*Estimated Percentage of Factories Providing Houses, etc.*  
(1961-62)

Size Group	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses consisting of		
			One Room	Two Rooms	Three or more Rooms
1. Large Factories . . .	14	100.0	69.8	18.0	12.2
2. Small Factories . . .	29	75.9	71.1	10.3	18.6
3. All Factories . . .	34	85.3	69.9	17.4	12.7

In about 27 per cent. of the units providing houses, no rent was being charged from the employees, in nearly 29 per cent., some of the employees were given rent-free quarters while others had to pay rent, whereas in the remaining 44 per cent. of the units, rent was being charged from all the allottees. Nearly 20 per cent. of the large establishments, forming about 8 per cent. of all cement factories in the country, were providing house-building facilities to their employees.

In most of the units providing houses, one-room accommodation was made available to 'Production Workers' and 'Watch and Ward' staff. Housing accommodation provided to supervisory, clerical and/or administrative staff generally comprised two rooms or more. Almost all the houses were *pucca* built.

It has been estimated on the basis of the Survey that of the total of about 28,900 workers employed in the Cement Industry in June, 1961, only about 9,000 had been provided houses by the employers. The percentage of such workers was nearly 40 for the large factories and 16 for the smaller ones, as will be seen from the following Statement.

## STATEMENT 5.3

*Estimated Percentage of Workers Allotted Houses in the Cement Industry*  
(1961-62)

Size Group	Number of Factories	Number of Workers Employed*	Percentage of workers Allotted Houses
1	2	3	4
1. Large Factories . . . . .	14	18,595	39.8
2. Small Factories . . . . .	20	10,288	15.8
3. All Factories . . . . .	34	28,883	31.2

\* Covered under the Factories Act.

## CHAPTER VI

### SOCIAL SECURITY

From the worker's point of view, a matter perhaps as important as the wages he gets, is the provision for his future. Discussing the provision of social security benefits in the Cement Industry, the Labour Investigation Committee, observed, "Fortunately in the cement industry, most of the units have provided both a Provident Fund and a scheme for Service Gratuity". Since the achievement of Independence, further headway has been made in this direction, and as a result of the adoption, from time to time, of various statutory measures by the Central and the State Governments, the workers in the Cement Industry, as in some of the other industries, are better off today than before. This is amply substantiated by what appears in the following paragraphs, based on the findings of the present Survey.

#### 6.1. *Provident Fund Schemes—*

Most of the cement factories surveyed by the Labour Investigation Committee had provident fund schemes. The benefit of such schemes, however, was not extensive as the membership of the funds was restricted to those who received more than a certain sum as pay. As the bulk of labour employed in cement factories was unskilled, it rarely attained those income limits and consequently, remained outside the purview of the provident fund schemes.

At the time of the present Survey, on the other hand, about 85 per cent. of the cement factories had provident fund schemes. These comprised all the large and 75 per cent. of the small factories surveyed. In about 27 per cent. of the factories having provident funds, only the Employees' Provident Fund Scheme was in operation while the remaining factories (i.e., about 73%) were having, in addition to the Employees' Provident Fund Scheme, some other provident fund schemes also for the benefit of those employees who were not covered under the Employees' Provident Funds Act. The rate of contribution for the schemes other than the Employees' Provident Fund Scheme, varied from factory to factory generally ranging between  $6\frac{1}{4}$  per cent. and  $8\frac{1}{3}$  per cent. of the basic wages and dearness allowance. In two of the factories surveyed, it was one-twelfth of the basic wage. As regards conditions for eligibility, they too, were not uniform though, by and large, they corresponded to those laid down under the Act. There were a few cases where other practices were being followed e.g., in one unit, only permanent monthly-rated employees were allowed to become members of the provident fund scheme. In another case, it was necessary to complete three years' service before an employee not covered by the Employees Provident Funds Act could become a member of the provident fund scheme.

On the basis of data collected, it is estimated that approximately 23,700 workers, i.e., about 82 per cent. of the total, were members of the provident fund schemes as on June 30, 1961. Details about the percentage of factories having provident fund schemes, number of workers who were members of the schemes, etc., are given in Statement 6.1.

## STATEMENT 6.1

*Estimated Percentage of Factories having Provident Fund Schemes, etc.*  
(June, 1961)

Size Group	Number of Factories	Percentage of Factories having Provident Fund Schemes	Total Number of Workers Covered under the Factories Act as on 31.6.1961	Number of Workers Who were Members of the Schemes	Percentage of Workers Covered under the Provident Fund Schemes to the Total Number employed as in column 4
1	2	3	4		
1. Large Factories	14	100.0	18,595	15,124	81.4
2. Small Factories	20	75.0	10,288	8,563	83.2
3. All Factories	34	85.3	28,863	23,697	82.0

### 6.2. Pension Schemes—

None of the cement factories surveyed by the Labour Investigation Committee in 1944-45 had any pension schemes for their employees. At the time of the present Survey also, it was noticed that there was no scheme for pension in any of the factories surveyed.

### 6.3. Gratuity Schemes—

From the report of the Labour Investigation Committee on Cement Industry, it would appear that in a number of cement factories surveyed by the Committee, gratuity schemes were in operation. In the factories of the Associated Cement Companies, only those employees were entitled to gratuity who were not entitled to the benefit of the provident fund. In the Dalmia Group of factories, however, there was no system of paying gratuity. In most of the units where a gratuity scheme was in operation, the rates varied with the length of service put in and the qualifying period of service was generally three years.

During the present Survey, about 62 per cent. of the factories surveyed, comprising 80 per cent. of large and 50 per cent. of the small units, were found to be having gratuity schemes for their employees. All the factories having such schemes paid gratuity to workers or their dependants, as the case may be, in the case of death or retirement. However, in cases of voluntary resignation and termination of services, only about 63 and 74 per cent. of the factories, respectively, were paying gratuity. The rate of payment was 15 days' wages for each completed year of service in about 87 per cent. of the factories paying gratuity, and 21 days' wages in the rest of them.



In 53 per cent. of the units paying gratuity, a regular scheme was in operation; in nearly half of the remaining units, it depended on the discretion of the management, whereas in the rest, the schemes were introduced as a result of agreement between employers and workers. In about 37 per cent. of the factories paying gratuity, all workers were covered under the scheme, in about 23 per cent. of the factories a majority of workers, and in the remaining units (i.e., about 40%) only a few workers were entitled to gratuity benefits.

On the basis of the data collected during the present Survey, it has been estimated that 74 persons in the Cement Industry received gratuity during the twelve months period ending June, 1961.

#### 6.4. *Maternity Benefits—*

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories, exist in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been put into force, the employers are absolved of their liability under the concerned Maternity Benefit Act.

At the time of the present Survey, the Employees' State Insurance Scheme was in operation in some of the areas where the sampled cement factories were located\*, and, thus, the benefit was payable by the Employees' State Insurance Corporation in these areas. However, information pertaining to maternity benefit payment in respect of the cement factories not covered under the above scheme shows, that women labour was engaged in 39 per cent. of such factories but no claim for payment of maternity benefit was reported to have been made or paid during the 12 months' period from July, 1960 to June, 1961.

#### 6.5. *Industrial Accidents—*

The Workmen's Compensation Act, 1923, as amended from time to time, and the Employees' State Insurance Act, 1948, provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment. Provisions of the Workmen's Compensation Act were applicable, at the time of the Survey, to all the cement factories excepting those covered under the Employees' State Insurance Scheme.

Information was collected during the Survey, in respect of the number and nature of accidents occurring in all cement factories, whether covered or not under the Employees' State Insurance Scheme. On the whole, an estimated number of 1,252 workers were involved in accidents in the Cement Industry during July, 1960 to June, 1961. A better picture can perhaps be had when the number of workers involved in accidents is viewed *vis-a-vis* the total number employed. The rate of accidents per thousand, based on the estimate of average number employed during the twelve months ending June, 1961, as also distribution of workers, involved by nature of accidents are given in Statement 6.2.

\* Tiruchirapalli in Madras, Sawaimadhopur in Rajasthan and Dalmianagar and Japla in Bihar.

## STATEMENT 6.2

*Estimated Distribution of Workers Involved in Accidents by Nature of Accidents in Cement Industry*

(July, 1960 to June, 1961)

Size Group	Estimated Average Daily Number of Workers employed	Number of Workers involved in Accidents per 1,000 workers employed resulting in			Total
		Death	Permanent Disability	Temporary Disability	
1	2	3	4	5	6
1. Large Factories	15,896	0.1	0.9	62.7	63.7
2. Small Factories	8,739	—	—	27.3	27.3
3. All Factories	24,635	0.1	0.6	50.1	50.8

It will be seen from Statement 6.2 that, during the year 1960 accidents took place in nearly 71 per cent. of the cement factories. It is significant to note that whereas accidents were reported from all the large factories surveyed, they occurred in only 50 per cent. of the small factories. The number of workers involved in fatal accidents was, of course, negligible. Those involved in accidents resulting in permanent disability also formed an insignificant proportion. By far the largest number of workers involved, about 50 per thousand employed, was in minor accidents causing temporary disabilities.

None of the cement factories surveyed reported any occupational disease afflicting their workers.

## CHAPTER VII

### INDUSTRIAL RELATIONS

Most of the causes that lead to industrial unrest have been operative in India ever since the establishment and growth of large-scale industries in the middle of the last century. Strikes were, however, not very common in the country prior to 1918-19 due mainly to an illiterate and unorganised labour force. The tempo of economic activity was considerably stepped up during the First World War and this led to mass awakening amongst the working class. Acute discontentment became increasingly manifest in most of the industrial centres in the country and consequently the Government could not continue sticking to the policy of *laissez faire* any more. From then onwards, and particularly since the country's Independence, considerable thought and action have been devoted to matters pertaining to the improvement of labour management relations. Various Acts passed by the Government of India (notably the Industrial Disputes Act, 1947), and the State Governments have gone a long way in improving industrial relations in the country.

During the present Survey, information was collected on some important aspects of industrial relations in the Cement Industry and the findings are discussed in the following paragraphs:

#### 7.1. Industrial Disputes—

Data pertaining to industrial disputes in the Cement Industry were not collected during the present Survey since the same were already being received in the Labour Bureau. Such information in respect of the number of disputes in the Cement Industry and consequent loss of man-days since 1956 is given below:

#### STATEMENT 7.1

*Number of Disputes Resulting in Work Stoppages, Workers Involved and Man-days lost in the Cement Industry\**

(From 1956 to 1961)

Year	Number of Disputes**	Number of Workers Involved	Number of Man-days lost
1	2	3	4
1956 . . . . .	6	4,482	8,866
1957 . . . . .	13	5,519	50,456
1958 . . . . .	4	387	3,307
1959 . . . . .	11	8,022	3,81,000
1960 . . . . .	9	2,287	6,000
1961 . . . . .	10	3,960	93,000

\* Labour Bureau, 'Indian Labour Statistics, 1963'.

\*\* These include both 'strikes' and 'lock-outs'.

It would be seen from the Statement (7.1) that there was a considerable loss of man-days in the Cement Industry during the years 1957, 1959 and 1961. The reason for the same for the year 1957 was, mainly, two strikes in Bihar and Madras; in the former case due to non-payment of bonus for two years, and in the latter, on account of workers' refusal to collect cement bags from a godown where an accident had taken place. Besides these two strikes, a lock-out was declared in one of the cement factories in Orissa because the workers demanded enhancement of wages and reinstatement of some dismissed employees. Out of roughly 50 thousand man-days lost in 1957, about 42 thousand were accounted for by these three work-stoppages. During 1959, two major strikes took place in Orissa, in protest against the introduction of piece-rate system and involved a loss of as many as 2,50,314 man-days. In 1961, however, there was no major dispute barring one in a factory in Maharashtra which resulted in a loss of about 65 thousand man-days. The strike was in protest against the issue of notice for alleged go-slow tactics and ended through direct negotiations.

## 7.2. Trade Unionism—

The Labour Investigation Committee had reported the existence of trade unions in only three out of 14 cement factories surveyed by them in 1944-45. Information collected during the present Survey shows, that workers had organised themselves into trade unions in about 85 per cent. of the cement factories in the country. As between the two size groups, unions were found to be existing in all large and three-fourths of small factories surveyed. This would indicate more unionisation in large factories but if the proportion of workers who were members of trade unions is considered, the position was better in small factories. It is estimated that nearly 97 per cent. of workers in small factories and 78 per cent. in large factories were members of unions. For the country as a whole, it is estimated that 85 per cent. of the cement workers were members of trade unions. The following Statement gives details relating to trade unionism in the Industry.

### STATEMENT 7.2

*Estimated Percentage of Factories where Workers were Members of Trade Unions, etc.*  
(June, 1961)

Size Group	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Number of Workers as on 31-6-1961	Number of Workers who were Members of Trade Unions	Percentage of Factories where Trade Unions (some or all) were recognised
1	2	3	4	5	6
1. Large Factories	14	100.0	18,595	14,524 (78.1)	80.0
2. Small Factories	20	75.0	10,288	9,986 (97.1)	100.00
3. All Factories	34	85.3	28,883	24,510 (84.9)	90.3

NOTE:—Figures within brackets in column 5 are percentages of workers who were members of trade unions to the total number of workers covered under the Factories Act on the specified date.

A striking feature of trade unionism in the Cement Industry, as revealed by the data collected, is that in all small factories the unions had been accorded recognition by the managements (Statement 7.2). Recognised unions existed in 80 per cent. of the large factories also, bringing the all-India percentage of cement factories where unions had been recognised to about 90.

The trade unions, wherever they existed, were discharging some functions mainly with the object of promoting the interests of the workers. It was observed during the present Survey that about 77 per cent. of the unions in cement factories were securing claims for their members under various labour Acts. They comprised about 63 per cent. of the unions functioning in the large factories and nearly 86 per cent. of those in the small ones. Welfare and recreational facilities were being provided only by the unions operating in large factories, the respective percentages of such unions for these activities being 50 and about 37. As against this, relief to distressed members was being arranged only by unions in small factories, 51 per cent. of which were helping their needy members. No union in cement factories, whether large or small, was paying any attention to adult education.

### 7.3. *Collective Agreements—*

In the course of the Survey, information was collected in respect of collective agreements concluded in the sampled establishments since 1956. It is estimated that about 62 per cent. of the cement factories in the country had concluded collective agreements since 1956 till the time of the Survey. Large factories out-numbered the small ones in this respect, their percentages being 80 and 50, respectively. The subject matters of collective agreements covered a wide field—from the rate of bonus payment and workers entitled to it, to fixation of grades of pay, implementation of Wage Board Recommendations, classification of daily-rated workmen, employment of contract labour, grant of travelling allowance to workers on retirement, paid festival holidays, dearness allowance, sick leave, payment of gratuity, Sunday and holiday work, construction of quarters, provision of fans, clean drinking water and rest houses, grievance procedure and settlement of disputes through joint consultations.

### 7.4. *Standing Orders—*

Ever since the enactment of the Industrial Employment (Standing Orders), Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment and redress of grievances, etc.

It has been estimated that nearly 71 per cent. of cement factories in the country were under a statutory obligation to frame Standing Orders. They comprised all large factories and 50 per cent. of small ones. As against this, roughly 85 per cent. of the total number of factories had framed Standing Orders for their workers. The higher percentage is due to the fact that not only all large factories had met their legal obligation, but, as against only half of the small factories which were legally required to frame Standing Orders, nearly three-fourths had actually done so. The figures given in the following Statement speak for themselves.

## STATEMENT 7.3

*Estimated Percentage of Cement Factories where Standing Orders were Framed, etc.*  
(1961-62)

Size Group	Number of Factories	Percentage of Factories under Statutory Obligation to frame Standing Orders	Percentage of Factories where Standing Orders were framed (of column 3)	Percentage of Factories where Standing Orders were certified
1	2	3	4	5
1. Large Factories . . .	14	100.0	100.0	100.0
2. Small Factories . . .	20	50.0	100.0	100.0
3. All Factories . . .	34	76.6	100.0	100.0

It will be seen from the Statement that in all the factories, Standing Orders had been certified. Further, in each case the Standing Orders were found to have been framed under the Industrial Employment (Standing Orders) Act.

In as many as 60 per cent. of the large factories having Standing Orders, they covered all workers; in the remaining 40 per cent., only 'Production Workers' were covered. It is noteworthy that in all the small factories having Standing Orders, all categories of workers, including clerical and watch and ward staff were covered.

#### 7.5. Labour and Welfare Officers—

It seems there was no practice of appointing Labour and/or Welfare Officers in the Cement Industry at the time of the Labour Investigation Committee's enquiry. There was no statutory obligation on employers either to employ labour or welfare officers. However, with the enactment of the Factories Act, 1948, the appointment of welfare officers became obligatory for every factory wherein 500 or more workers were employed.

The present Survey has shown that nearly 56 per cent. of the factories surveyed, comprising all large and 25 per cent. of small ones, were under a legal obligation to appoint Labour/Welfare Officers. As against this, nearly 85 per cent. of the establishments, in the Industry as a whole, had appointed Labour and/or Welfare Officers. This is significant inasmuch as it reflects managements' concern for mitigating the causes of labour unrest.

These officers had a wide range of activities and were found to be performing all the duties prescribed in the Rules framed under the Act. Securing redress of workers' day to day grievances and maintenance of harmonious relations between the management and employees, by acting as Liaison Officers, were their most important functions. They were also advising managements in regard to matters connected with the proper implementation of various labour laws. Organisation and supervision of labour welfare and recreational activities also formed a part of their duties.

It was reported that in 40 per cent. of large and nearly one-third of the small factories where Labour/Welfare Officers had been appointed, they were appearing before Industrial Tribunals, Labour Courts, etc., on behalf of the managements, in cases of industrial disputes.

#### 7.6. *Works or Joint Committees—*

Though the Royal Commission on Labour had, as early as in 1930, emphasised the vital role that Works and/or Joint Committees could play in providing a recognised means of consultation between managements and workers and thus eliminating the sources of friction and inculcating a greater sense of responsibility and creative interest amongst the workers and managements, it was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government for the setting up of such Committees. From the Labour Investigation Committee's report on Cement Industry, it appears that, at the time of their enquiry, none of the cement factories had constituted any Works or Joint Committee.

The Survey results show that though 71 per cent. of cement factories constituting all large and half of small units were under a legal obligation to set up Works/Joint Committees, only 60 per cent. of the former and 50 per cent. of the latter had complied with the law. The main reasons for not setting up such Committees in those units where it was obligatory, were reported to be that neither the managements nor the workers had felt any need for the same. Of the units where such Committees did not exist, the managements in a few stated that steps were being taken to set up such Committees; some others reported that such a Committee could not be formed due to multiplicity of unions and inter-union rivalry.

In all those establishments where Works and/or Joint Committees had been constituted, they consisted of an equal number of representatives of employers and workers. Generally, such Committees maintained their undisputed position as an important bi-partite agency for general discussions at the unit level. Matters of common interest as well as those of interest to either party, formed the subject matter of discussions in the meetings of these committees. In about 58 per cent. of the factories where such committees existed, they were reported to have met between 3 to 6 times during the twelve months' period ending June, 1961. Nearly 21 per cent. of these Committees held only up to three meetings during the same period whereas an equal number met more than six times. The decisions taken at the meetings of these Committees were generally implemented.

#### 7.7. *Production and Other Committees—*

Only 20 per cent. of the large factories surveyed had set up Production Committees for advising on matters relating to production, etc. However, some units had set up Workers' Safety Committees. To this category belonged about 39 per cent. of all cement factories in the country, comprising 60 per cent. of large and 25 per cent. of small units. The main functions of these committees were to look into the causes of accidents taking place in the factory and finding out ways and means to prevent them.

#### 7.8. *Grievance Procedure—*

The Labour Investigation Committee had made no mention of the existence of any system for securing redress of workers' grievances in the

Cement Industry. However, with the enactment of Industrial Employment (Standing Orders) Act, 1946, it became obligatory for all factories employing 100 or more workers to frame Standing Orders, prescribing, *inter alia*, the procedure to be followed for redress of grievances. As mentioned elsewhere in this Chapter, all large and 75 per cent. of small units had framed Standing Orders and thus, a prescribed grievance procedure had been laid down in such units.

According to the prevailing practice in most of the units, grievances were usually taken to the supervisors or departmental heads in the first instance. If the workers were not satisfied with the decisions at this level, the Welfare Officer or the Personnel Officer was approached. Most of the grievances were redressed at this stage as the concerned officer conducted an enquiry before giving his decision. If, however, a satisfactory settlement was still not reached, the matter was taken to the Manager whose verdict was normally binding on both the parties. In some of the establishments, the union could represent the grievance to the State Labour Commissioner.

#### 7.9. *Association of Workers with Management—*

The present Survey has shown that not even a single cement factory in the country had introduced any scheme for associating workers with the management.



## CHAPTER VIII

### LABOUR COST

Information pertaining to labour cost was collected from sampled establishments during the course of the present Survey, in respect of the employees covered under the Factories Act and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Costs in the European Industry, made by the International Labour Office in 1956. However, certain modifications were made in the light of certain peculiar conditions in India. For instance, in view of the fact that in India wages are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records of premium payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and recorded under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group, referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g., lay-off, retrenchment compensation, etc.

The Survey started in July, 1961 and ended in August, 1962. With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible, for the year ending June, 1961. If, however, the financial year of the establishment did not coincide with the calendar year, and it was not feasible to collect information for the year ending June, 1961, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that a major period of the reference year (i.e. July, 1960 to June, 1961) was covered. The available data show that it was possible to collect information in respect of the 12 months' period ending June, 1961 from most of the units.

#### 8.1. *Labour Cost per Man-day Worked—*

Data in respect of man-days worked and the corresponding wages and other earnings of the workers were collected for the above-mentioned periods. Further, expenditure incurred by the employers on various welfare and security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day has been worked out and is given in Statement 8.1.

The overall labour cost per man-day worked in the Cement Industry has been estimated at Rs. 5.98. As the above Statement shows, the small factories had spent higher amounts on labour than the large factories. This could be possibly due to the impact of higher wage payment in small factories, as discussed in details in Chapter III.

## STATEMENT 8.1

*Estimated Labour Cost Per Man-day Worked in Cement Factories*  
(July, 1960 to June, 1961)

(In Rupees)

Size Group	Labour Cost Per Man-day Worked
1. Large Factories	5.79
2. Small Factories	6.26
3. All Factories	5.98

8.2. *Components of Labour Cost—*

The following Statement shows the distribution of the labour cost according to major heads under which the data were collected.

## STATEMENT 8.2

*Estimated Labour Cost Per Man-day Worked by Main Components*  
(July, 1960 to June, 1961)

(In Rupees)

Size Group	Wages	Premium pay for overtime and late shifts	Bonuses	Other Cash payments	Payments in kind	Social Security Contributions		Subsidies	Direct Benefits	Other Payments	Total
						Obligatory	Non-obligatory				
1	2	3	4	5	6	7	8	9	10	11	12
1. Large Factories	1.44 (76.68)	0.13 (2.25)	0.10 (1.73)	0.30 (5.18)	0.01 (0.69)	0.33 (5.70)	0.01 (0.17)	0.38 (6.56)	*	0.06 (1.04)	5.79 (100.00)
2. Small Factories	4.82 (77.40)	0.16 (2.56)	0.32 (5.11)	0.17 (27.1)	0.04 (0.64)	0.28 (4.47)	0.02 (0.32)	0.42 (6.71)	*	0.03 (0.48)	6.26 (100.00)
3. All Factories	4.59 (76.76)	0.14 (2.34)	0.19 (3.18)	0.25 (4.18)	0.04 (0.67)	0.31 (5.18)	0.02 (0.33)	0.39 (6.52)	*	0.05 (0.84)	5.98 (100.00)

\*Less than Re. 00.45.

NOTE:—Figures within brackets are percentages to total.

8.2.1. *Wages—*

This component comprised basic wages and dearness allowance, incentive or production bonus and attendance bonus received by employees.

It was desired by the Bureau to collect data, under this head, in respect of the man-days worked alone but, in the course of the pilot enquiry, it was found that most of the employers did not maintain separate records of payments made for the days actually worked and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid for the days worked as well as not worked but paid.

It would be seen from Statement 8.2 that 'Wages' accounted for 76.8 per cent. of the total labour cost in the Industry. This proportion was only slightly higher in small factories (77.0%) than in the large ones (76.7%). The following Statement gives the break-up of the 'Wages' into various sub-groups viz., basic earnings, incentive or production bonus and attendance bonus.

STATEMENT 8.3  
*Estimated Break-up of 'Wages Cost' by Components*  
(July, 1960 to June, 1961)

(In Rupees)

Size Group	Basic Wages and Dearness Allowance (or Consolidated Wages)	Incentive/ Production Bonus	Attendance Bonus	Total
1	2	3	4	5
1. Large Factories . . .	4.44 (100.00)	—	*	4.44 (100.00)
2. Small Factories . . .	4.79 (99.38)	0.03 (0.62)	—	4.82 (100.00)
3. All Factories . . .	4.58 (99.78)	0.01 (0.22)	*	4.59 (100.00)

\* Less than Re. 00.05

NOTE: - Figures within brackets are percentages to total.

It is evident that almost the entire amount on wage-cost was spent in the form of basic wages and dearness allowance or consolidated wages. The only other item, under the group 'Wages' on which some expenditure was incurred by the employees, was incentive bonus though its contribution to the group was rather insignificant. Attendance bonus, though paid in one of the large factories surveyed, formed a negligible proportion of the 'Wages' at the Industry level.

#### 8.2.2. *Premium Pay for Overtime and Late Shifts—*

Under this group, only the premium part of pay for overtime work, late shifts, work on holidays, etc., was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and a half times his normal wages for the overtime work, the extra amount, i.e. one-half, was recorded against this item. The normal wages were included under the group 'Wages'.

The premium payment for overtime work accounted for a small proportion of the total labour cost per man-day worked (Statement 8.2). This item of expenditure entered into labour cost in both large as well as small factories.

#### 8.2.3. *Bonuses—*

Payments made in the form of festival, year-end, profit-sharing and any other bonus were recorded under this group. It would be seen from Statement 8.2 that, in the Cement Industry, this item constituted 3.2 per cent. of the total labour cost per man-day worked.

Further break-up of such bonuses shows that the year-end (annual) bonus accounted for about 10.5 per cent. of the total expenditure incurred on bonuses, festival bonus for about 21.1 per cent. while the rest

of the payment (i.e., 68.4%) was made in respect of the profit-sharing scheme prevalent in one of the small factories.

#### 8.2.4. Other Payments in Cash and Kind—

Other cash payments were those which were made regularly such as house-rent allowance and some *ad hoc* or *ex-gratia* payments made to workers. Payments under this group accounted for about 4.2 per cent. of the total labour cost. Such payments were more in large establishments than in small ones.

Payments in kind related to such items as protective equipments and uniforms, supply of jaggery, coconut oil, etc. This component accounted for a minor proportion of the total labour cost. Expenditure on this item was almost the same in both large and small factories.

#### 8.2.5. Social Security Contributions—

The expenses incurred by employers on various social security measures constituted one of the major elements of labour cost. Since the employers were statutorily obliged to undertake some of the social security measures, separate data were collected in respect of expenditure incurred on obligatory and non-obligatory social security contributions. The combined cost on account of this component worked out to Re. 0.33 per man-day or about 5.5 per cent. of the total labour cost. This expenditure was higher in large factories as compared to that in the small ones. The following Statement shows the estimated cost of social security contributions under each item for which information was collected.

#### STATEMENT 8.4

*Estimated Cost of Social Security Contributions per Man-day Worked*  
(July, 1960 to June, 1961)

(In Rupees)

Size Group	Obligatory										Non-obligatory	Total for obligatory and Non-obligatory	Percentage of Social Security contributions to the total Labour Cost
	Provident Fund	Re-rentrenchment Com-pensation	Compensation for lay-off	Employees State In-surance Contri-bution	Compensa-tion for		Maternity Benefits	Dependants Allowance	Others	Total			
					Employment Injury	Occupational Dis-cases							
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Large Fac-tories	0.28 (84.85)	—	—	0.05 (15.15)	*	—	*	—	—	0.33 (100.00)	0.01	0.34	5.87
2. Small Fac-tories	0.26 (92.86)	—	—	0.02 (7.14)	*	—	—	—	—	0.28 (100.00)	0.02	0.30	4.79
3. All Fac-tories	0.27 (87.10)	—	—	0.04 (12.90)	*	—	*	—	—	0.31 (100.00)	0.02	0.33	5.51

\*Less than Re. 00.05.

NOTE:— Figures within brackets are percentages.

As the Statement shows, the expenditure incurred by the employers on non-obligatory social security contributions was virtually insignificant.

Statistics in respect of the obligatory social security contributions were collected for the following items:

- (1) Provident Fund.
- (2) Retrenchment compensation.
- (3) Compensation for lay-off.
- (4) Employees' State Insurance Scheme.
- (5) Compensation for employment injury.
- (6) Compensation for occupational diseases.
- (7) Maternity benefit.
- (8) Dependants allowance.
- (9) Gratuity.
- (10) Other Social Programmes.

The major item of expenditure in respect of obligatory social security contributions, as is evident from Statement 8.4, was employers' contribution to provident fund which alone accounted for Re. 0.27 per manday or about 87 per cent. of the total cost on such contributions. Though the amount spent on this item was more in large factories, yet the proportion of this expenditure to the total obligatory social security contributions was more in the small ones. The only other significant item of expenditure, under this head, was the contributions made by the employers towards the Employees' State Insurance Scheme. Expenditure on payment of compensation for employment injury and maternity benefit was negligible.

#### 8.2.6. *Subsidies—*

Cost to employer for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were Medical and Health Care, Canteens, Restaurants and other Food Services, Company Housing, Building Funds, Credit Unions and other Financial Aid Services, Creches, Educational Services, Cultural Services (e.g. Library, Reading Rooms, etc.), Recreational Services (Clubs, Sports, etc.), Transport, Sanitation (at work places), Drinking Water facilities, Vacation Homes, etc. The net amount spent, including depreciation but excluding any capital expenditure, was recorded. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately, for the above-mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. The following Statement gives details in respect of the cost on subsidies incurred by the employers in the Cement Industry.

STATEMENT 8.5

*Estimated Cost of Subsidies per Man-day Worked in the Cement Industry*  
(July, 1960 to June, 1961)

Size Group	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Medical and Health care	Canteen	Restaurant and other Food Services	Company Housing	Creeches	Building Fund	Recreational Services	Transport	Sanitation	Drinking water	Educational Services	Cultural Services	Credit Union etc.	Others	Total	Percentage of Subsidies to the Total Labour Cost
1. Large Factories	0.12 (31.58)	0.04 (10.53)	— (—)	0.05 (13.16)	*	—	0.02 (5.26)	0.01 (2.63)	0.02 (5.26)	0.01 (2.63)	0.08 (21.05)	*	—	0.03 (7.90)	0.38 (100.00)	6.56
2. Small Factories	0.17 (40.48)	0.06 (14.29)	— (—)	0.03 (7.14)	—	—	0.09 (21.43)	0.01 (2.38)	0.02 (4.76)	0.01 (2.38)	0.01 (2.38)	*	0.01 (2.38)	0.01 (2.38)	0.42 (100.00)	6.71
3. All Factories	★ 0.14 (35.90)	0.05 (12.82)	— (—)	0.04 (10.26)	*	—	0.05 (12.82)	0.01 (2.56)	0.02 (5.13)	0.01 (2.56)	0.05 (12.82)	*	*	0.02 (5.13)	0.39 (100.00)	6.52

\* Less than Rs. 00.05.

Note:—Figures within brackets are percentages.

The cost of subsidies per man-day worked amounted to Re. 0.39, constituting 6.5 per cent. of the total labour cost. The difference between large and small factories, in this respect was negligible.

The main item of expenditure was medical and health care which accounted for about 36 per cent. of the total cost on subsidies. Other items of expenditure were canteens, recreational services, educational services, company housing, sanitation, drinking water facilities, etc. The employers incurred negligible or no expenditure on creches, cultural services, building funds, and restaurant and other services.

## CHAPTER IX

### SUMMARY OF CONCLUSIONS

The Cement Industry enjoying world-wide importance, is of a comparatively recent origin in India. The first cement factory set up with the object of manufacturing Portland Cement came into existence only in 1904 in Madras State. Thereafter, it has had a chequered career. The landmarks in the history of the Indian Cement Industry have been the two World Wars and the Independence of the country in 1947. Statistics of registered factories show that as against 22 factories in 1950, there were 38 cement factories in 1961 though, however, there was no corresponding rise in employment. The Industry is widely dispersed and is mainly concentrated in Bihar, Andhra Pradesh, Bombay, Madhya Pradesh, Madras and Rajasthan.

On the basis of the present Survey, it has been estimated that, on the specified date, i.e., June 30, 1961, the Industry employed about 29,700 workers of whom 858 workers were not covered under the Factories Act. The distribution of all workers (covered and not covered under the Factories Act), according to the broad occupational groups, shows that nearly 81 per cent. were 'Production and Related Workers' (including supervisory); 'Watch and Ward and Other Services' accounted for about 8 per cent. of the total, followed immediately by 'Clerical and Related Personnel' (including supervisory) who constituted about 6 per cent. 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel' accounted for the rest. Child labour was entirely absent and the number of women employed was also negligible. Contract labour was found employed in about 33 per cent. of the factories. Nearly 91 per cent. of the 'Production Workers' were time-rated and the rest were piece-rated. The system of recruitment was direct for about 88 per cent. of the workers in the Industry. Of these, recruitment at the factory gate accounted for about 57 per cent.

The Survey results show that about 83 per cent. of 'Production Workers' (employed directly) were permanent and 8 per cent. temporary. Probationers, casual workers and apprentices accounted for the rest. The system of employing '*badlis*' was not in vogue in any of the sampled units.

It is estimated that approximately 65 per cent. of the directly employed 'Production Workers' in the Cement Industry had more than 5 years' service to their credit on June 30, 1961, a good number having put in more than 15 years' service. In this respect it was found that the large factories had more workers with longer period of service. In the smaller ones, about one-fifth of the workers had been in service for less than one year.

The overall absenteeism rate in the Cement Industry was found to be significant during the reference year from July, 1960 to June, 1961; it was 12.8 per cent. for 'Production Workers'. Large factories recorded a higher rate of absenteeism than small ones. Only about 16 per cent. of the factories had adopted measures for checking the high absenteeism rate.



Labour turnover data collected for the directly employed 'Production Workers' for the year ending June, 1961 show that the overall average accession and separation rates for the Industry were fairly low. Greater mobility of working force was noticed in the small factories than in the large ones. Nearly two-thirds of the separations were on account of discharges and dismissals, while the rest were accounted for by quits, retirement or death.

About 39 per cent. of the cement factories in the country, mostly large units, were providing training and apprenticeship facilities. However, the training was imparted, in most of the factories, on an *ad hoc* basis and there were no regular schemes.

Nearly 82 per cent. of workers in the Cement Industry were paid their wages once a month and about 3 per cent. once a fortnight. For the rest (15%) the pay period was a week. The average daily earnings of all workers were Rs. 5.29 during June, 1961, while those of the 'Production Workers', who formed the bulk of the total working force, were Rs. 4.66. Male 'Production Workers' earned more (Rs. 4.67) than women (Rs. 3.19). 'Watch and Ward' and 'Clerical Workers' earned Rs. 4.59 and Rs. 8.58, respectively, per day. The average daily earnings of the lowest-paid 'Production Workers' were Rs. 3.39.

A break-up of earnings has revealed that they consisted primarily of basic earnings, i.e. basic wages and dearness allowance or consolidated wages. Nearly 85 per cent. of the cement factories surveyed paid separate dearness allowance to their workers and in all such establishments, dearness allowance had been linked to the Consumer Price Index Numbers. The practice of paying annual bonus was in vogue in nearly 62 per cent. of the factories in the Industry though in only about one-third of such units there were regular schemes regulating the payment of bonus; in the rest, such payment had not been regularised.

Nearly 71 per cent. of the cement factories worked three shifts daily and the remaining 29 per cent., all of which happened to be small ones, only one shift a day. No factory had more than an 8-hour day and a 48 hour week. Though nearly 71 per cent. of the factories worked during night, nowhere any special amenities were being provided for the night-shift workers. However, a regular system of transferring workers from night shift to the day shift existed in all such units. The period of rest interval generally ranged between  $\frac{1}{2}$  hour to 1 hour in both day and night shifts and the spread-over did not exceed nine hours in any unit. Conservancy arrangements in most of the units were satisfactory.

All cement factories in the country, large or small, had a system of granting earned leave to their employees. As regards the period of leave, qualifying conditions and the rate of payment, the provisions of the Factories Act were generally followed by the managements. Nearly 86 per cent. of the workers were found to have availed of earned leave during the year 1960. The percentage of factories where the facility of casual leave with pay was available was also quite high, being about 85. In most of them, there were no qualifying conditions and all categories of workers enjoyed the benefit of casual leave. Sick leave, too, was being allowed in about 85 per cent. of the units. The practice of granting national and festival holidays was universal in the Cement Industry. All cement factories in the country were complying with the provisions of

the Factories Act regarding the grant of weekly-offs, although the payment for the rest-day was being made in only about 85 per cent. of the units surveyed.

Drinking water facilities existed in all the cement factories covered during the Survey, although there was diversity in the type of arrangements made. In none of the cement factories, the drinking water points were situated within the prohibited distance. Washing facilities were available in all cement factories in the country and facilities for bathing existed in 48 per cent. of them.

Canteens were found functioning in all those establishments which were under a statutory obligation to do so, with arrangements for sale of tea, coffee and snacks and even meals in some of the units. Nearly 90 per cent. of the canteens in cement factories were being run by the managements and the rest by contractors. However, canteen managing committees were functioning in all of them and were responsible for fixing the prices. In general, the location and hygienic conditions of the canteens were satisfactory. Creches were provided in all cement factories employing more than 50 women. Although no factory was under a statutory obligation to provide rest shelters, yet, nearly 62 per cent. of the units surveyed had provided this facility on their own.

Facilities for recreation, which consisted of indoor and outdoor games and cultural programmes, existed in nearly 86 per cent. of the cement factories. In nearly all cases, they were being financed by the managements. As regards educational facilities, it was found that they were available in only about 56 per cent. of the units surveyed and in 29 per cent. of these no fees were being charged. No attention, whatsoever, was paid to adult education in any of the units covered.

Medical facilities in the form of attached dispensaries or hospitals were available to employees in about 71 per cent. of cement factories in the country. Most of the remaining units had made regular or *ad hoc* arrangements with local medical practitioners for rendering medical aid to their employees. Of the 56 per cent. factories, which were under a legal obligation to maintain ambulance rooms, hardly 15 per cent. had such rooms. Nearly 85 per cent. of the units had provided first-aid boxes for the use of their employees though only 63 per cent. of them were under the charge of trained first-aiders.

It is estimated that, in the Industry as a whole, about 85 per cent. of the factories had provided housing facilities to their employees. However, the benefit was not very extensive as only 31 per cent. of the total working force had been housed. Most of the houses were one-room tenements.

It is estimated that approximately 85 per cent. of the cement factories had provident fund schemes for their employees. Nearly 82 per cent. of the total number of workers in the Industry were found to be the members of provident funds. Gratuity schemes were in force in about 62 per cent. of the cement factories, but pension schemes were altogether non-existent. Women workers were entitled to receive maternity benefits from the Employees' State Insurance Corporation in the areas where the scheme was in operation. In other areas, according to the Survey, no claim had been made or paid during the year ending June 30, 1961. During the same period, accidents took place in 71 per cent. of the cement factories involving nearly 1,200 workers. Fatal accidents were very rare and those causing permanent disability also formed an insignificant

proportion. By far the largest number of workers involved, about 50 per thousand employed, was in minor accidents causing temporary disabilities. No case of occupational disease was reported from any of the factories covered.

Statistics of industrial disputes show that there was a considerable loss of man-days in the Industry during 1957, 1959 and 1961. Trade unionism seems to have developed fairly well in the Industry. It is estimated that 85 per cent. of the factories had trade unions and an equal percentage of the cement workers were members of these unions. The favourable attitude of the managements towards unions is reflected by the fact that in 90 per cent. of the factories having unions, recognition had been accorded to them.

Collective agreements since 1956 had been concluded in 62 per cent. of the factories; most of them in the large units. An encouraging feature from the point of view of industrial relations in the Industry was that Standing Orders had been formed in 85 per cent. of the units whereas only 71 per cent. were legally bound to do so. In such units, (i.e. where Standing Orders had been framed) a prescribed procedure for the redress of grievances of workers was obviously laid down. Everywhere, these Orders were found to have been certified, and excepting in a few large factories, they covered all categories of workers. Whereas only 56 per cent. of the factories were under a legal compulsion to appoint Labour/Welfare Officers, actually 85 per cent. of the units had appointed such Officers. Works or Joint Committees had been constituted in only about half of the factories which were legally bound to set up such Committees.

Data relating to labour cost in respect of workers covered under the Factories Act and receiving less than Rs. 400 p.m. show that, during the year ending June, 1961, the cost per mand-day worked in the Industry was Rs. 5.98. Wages, i.e. basic wages, dearness allowance and incentive payments, constituted the main component and accounted for nearly 76.8 per cent. of the total cost. Social security contributions and bonus accounted for about 5.5 and 3.2 per cent., respectively. Expenses falling under the Group 'Subsidies' constituted a significant proportion being 6.5 per cent. of the total labour cost. The main item of expenditure under this head was medical and health care. Other items of expenditure were canteens, recreational and educational services, company housing, etc.

## APPENDIX

### A BRIEF NOTE ON THE SAMPLE DESIGN AND THE METHOD OF ESTIMATION ADOPTED

#### 1. *Sample Design*—

For the Survey of Labour Conditions, a stratified sampling design with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Units in each industry/regional stratum were divided into two size-groups i.e., upper and lower. The cut-off point used for the classification of units into two size-groups was the same as used for the Wage Census conducted by the Bureau in 1958-59. This point was 667 for the Cement Industry. However, in the case of this industry there was no regional stratification and sample units were selected from the All-India list.

In regard to sample size, it was thought that a sample of 25 per cent. from upper size group and  $12\frac{1}{2}$  per cent. from the lower size-group would yield reasonably good results. However, the experience of earlier Surveys had shown that in view of non-availability of up-to-date frames, quite a large number of sampled establishments were found to have ceased functioning or to have changed the line of production when they were visited. In order to safeguard against undue shrinkage of the sample size due to such contingencies, it was decided to enlarge the sample size suitably in the light of the experience of the Wage Census conducted by the Bureau and on the basis of a study of closures of establishments in the past few years as revealed from the annual list of registered factories. In the case of cement factories the sampling fraction thus ultimately adopted was 33.3 per cent. for the upper size and 16.7 per cent. for the lower size.

The ultimate sampling units, namely registered factories, within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of cement factories was the list of registered factories for the year 1959.

#### 2. *Method of Estimation*—

In the course of this Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not so correlated. Consequently, slightly different methods were used for working out estimates for these two cases. For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, ratio of total employment was used as the blowing up factor. On the other hand,

for estimating the totals of those characteristics which are not directly correlated with employment such as, daily hours of work, units levying fines, etc., the ratio of units was used as the blowing-up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, the estimate for the total (for all-India) of a particular characteristic not correlated with employment in the industry has been obtained as:

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \quad \dots (i)$$

The summation extending over all the sampled units surveyed in the industry.

Where  $X$  = the estimated total of the x-characteristic for the industry.

$N_u$  and  $N_l$  = the number of units in the original population as featuring in the 1959 list, which was used as frame, in the upper and lower size-groups respectively of the industry.

$N'_u$  and  $N'_l$  = the number of units which featured in the 1959 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively, of the industry.

$n_u$  and  $n_l$  = the total number of units in the sample (from 1959 list) in the upper and lower size groups respectively of the industry.

$n'_u$  and  $n'_l$  = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the industry.

$X_{iu}$  and  $X_{il}$  = the total of the characteristic x in the ith sample unit of the upper and lower size groups respectively of the industry.

In the industry the estimate for the characteristic Y correlated with employment is given by

$$Y = \frac{E_{Nu} - N'_u}{E_{nu} - n'_u} \sum_i Y_{iu} + \frac{E_{Nl} - N'_l}{E_{nl} - n'_l} \sum_i Y_{il} \quad \dots (ii)$$

The summation extending over all units in the industry.

Where  $Y$  = the estimated total of the characteristic y for the industry.

$E_{Nu} - N'_u$  and  $E_{Nl} - N'_l$  = the total employment in 1959 in the  $N_u - N'_u$  and  $N_l - N'_l$  units respectively of the industry.

$E_{nu} - n'_u$  and  $E_{nl} - n'_l$  = the total employment in 1959 in  $nu - n'_u$  and  $n_l - n'_l$  sampled units respectively of the industry.

$Y_{iu}$  and  $Y_{il}$  = the total of characteristic y in the ith sample unit of the upper and lower size groups respectively of the industry.





